



# THE PHILIPPINE ENVIRONMENTAL GOVERNANCE PROJECT PHASE 2 (EcoGov 2) WORK PLAN

**OCTOBER 2004 - SEPTEMBER 2011**

December 16, 2004

*EcoGov 2*



DENR



Development Alternatives, Inc.

This project is implemented by Development Alternatives, Inc. with the support of its subcontractors:

- Emerging Markets Group. ■
- The Media Network ■
- Orient Integrated Development Consultants, Inc. ■
- Marine Environment Resource Foundation ■
- Resources, Environment and Economics Center for Studies, Inc. ■
- Cesar Virata and Associates, Inc. ■

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## Acronyms

|         |   |   |
|---------|---|---|
| ADSDPP  | - | Ancestral Domain Sustainable Development and Protection Plan        |
| AFMA    | - | Agriculture and Fisheries Modernization Act                         |
| ARMM    | - | Autonomous Region in Muslim Mindanao                                |
| BFAR    | - | Bureau of Fisheries and Aquatic Resources                           |
| BLGF    | - | Bureau of Local Government Finance                                  |
| BOT     | - | Build Operate Transfer  |
| BSP     | - | Bangko Sentral ng Pilipinas   |
| CADC    | - | Certificate of Ancestral Domain Claims                              |
| CADT    | - | Certificate of Ancestral Domain Title                               |
| CBFM    | - | Community-Based Forest Management                                   |
| CBFMA   | - | Community-Based Forest Management Agreement                         |
| CENRO   | - | Community Environment and Natural Resources Office                  |
| CRM     | - | Coastal Resource Management   |
| CRMF    | - | Coastal Resource Management Framework                               |
| CRMP    | - | Coastal Resource Management Project                                 |
| CSO     | - | Civil Society Organization  |
| CVAI    | - | Cesar Virata and Associates, Inc.                                   |
| CWA     | - | Clean Water Act   |
| DA      | - | Department of Agriculture   |
| DA/BFAR | - | Department of Agriculture/Bureau of Fisheries and Aquatic Resources |
| DAI     | - | Development Alternatives, Inc.                                      |
| DAO     | - | Department Administrative Order                                     |
| DBM     | - | Department of Budget and Management                                 |
| DENR    | - | Department of Environment and Natural Resources                     |
| DILG    | - | Department of the Interior and Local Government                     |
| DOF     | - | Department of Finance   |
| DOH     | - | Department of Health  |
| DOJ     | - | Department of Justice   |
| EC      | - | Executive Committee   |
| EcoGov  | - | Philippine Environmental Governance Project                         |
| EcoSan  | - | Ecological Sanitation   |
| EMB     | - | Environmental Management Bureau                                     |
| EMG     | - | Emerging Markets Group  |
| ENR     | - | Environment and Natural Resources                                   |
| ENRO    | - | Environment and Natural Resources Office                            |
| FARMC   | - | Fisheries and Aquatic Resources Management Council                  |
| FFM     | - | Forest and Forest Land Management                                   |
| FISH    | - | Fisheries Improved for Sustainable Harvest                          |
| FISH-BE | - | Fisheries Bio-Economic Model  |
| FLUP    | - | Forest Land Use Plan  |
| FORWARD | - | Fostering Resolution of Water Resources Disputes                    |
| FRM     | - | Fishery Resource Management   |
| FRMP    | - | Fisheries Resource and Management Program                           |
| GFI     | - | Government Financial Institution                                    |
| GRP     | - | Government of the Republic of the Philippines                       |
| IBRA 9  | - | Illana Bay Regional Alliance 9                                      |
| IEC     | - | Information, Education and Communication                            |
| IFMA    | - | Industrial Forest Management Agreement                              |
| IPRA    | - | Indigenous Peoples Right Act  |
| IRA     | - | Internal Revenue Allotment  |
| IRR     | - | Implementing Rules and Regulations                                  |
| ISWM    | - | Integrated Solid Waste Management                                   |

|         |   |  |
|---------|---|--|
| JICA    | - | Japan International Cooperation Agency                         |
| LCE     | - | Local Chief Executive  |
| LCP     | - | League of Cities of the Philippines                            |
| LGPMS   | - | Local Government Performance Measurement System                |
| LGU     | - | Local Government Unit  |
| LINAW   | - | Local Initiatives for Affordable Wastewater Project            |
| LMP     | - | League of Municipalities in the Philippines                    |
| LOE     | - | Level of Effort  |
| LPP     | - | League of Provinces in the Philippines                         |
| LSP     | - | Local Service Provider   |
| M&E     | - | Monitoring and Evaluation                                      |
| MDC     | - | Municipal Development Council                                  |
| MENRO   | - | Municipal Environment and Natural Resources Office             |
| MFO     | - | Major Final Output   |
| MGB     | - | Mines and Geosciences Bureau                                   |
| MOA     | - | Memorandum of Agreement  |
| MOU     | - | Memorandum of Understanding                                    |
| MPA     | - | Marine Protected Area  |
| MRDP    | - | Mindanao Rural Development Project                             |
| MRF     | - | Materials Recovery Facility                                    |
| MTPDP   | - | Medium-Term Philippine Development Plan                        |
| NCIP    | - | National Commission for Indigenous People                      |
| NEDA    | - | National Economic and Development Authority                    |
| NGO     | - | Non-Government Organization                                    |
| NIPAS   | - | National Integrated Protected Area System                      |
| NSO     | - | National Statistics Office                                     |
| NSWMC   | - | National Solid Waste Management Commission                     |
| ODA     | - | Official Development Assistance                                |
| OIDCI   | - | Orient Integrated Development Consultants, Inc.                |
| OVI     | - | Objectively Verifiable Indicator                               |
| PASG    | - | Public Advocacy, Social Awareness and Governance               |
| PMO     | - | Program Management Office                                      |
| PNOC    | - | Philippine National Oil Corporation                            |
| PO      | - | People's Organization  |
| PP10    | - | Partnership for Principle 10                                   |
| RA      | - | Republic Act   |
| REECS   | - | Resources Environment and Economic Center for Studies          |
| SB      | - | Sangguniang Bayan  |
| SIFMA   | - | Socialized Industrial Forest Management Agreement              |
| SMICZDP | - | Southern Mindanao Integrated Coastal Zone Development Project  |
| SOW     | - | Scope of Work  |
| SWAPP   | - | Solid Waste Management Association of the Philippines          |
| SWM     | - | Solid Waste Management   |
| TA      | - | Technical Assistance   |
| TAP     | - | Transparency, Accountability and Participatory Decision-Making |
| THW     | - | Toxic and Hazardous Waste                                      |
| TMN     | - | The Media Network  |
| UEM     | - | Urban Environmental Management                                 |
| UPMSI   | - | University of the Philippines Marine Science Institute         |
| USAID   | - | United States Agency for International Development             |
| WWM     | - | Waste Water Management   |
| ZDS     | - | Zamboanga del Sur  |

**THE PHILIPPINE ENVIRONMENTAL GOVERNANCE PROJECT**  
**PHASE 2 (EcoGov 2) WORK PLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2011**

**DEVELOPMENT ALTERNATIVES, INC.**

## **1.0 Introduction**

The United States Agency for International Development (USAID) Mission for the Philippines has contracted with Development Alternatives, Inc. (DAI) to implement the Environmental Governance 2 Project (EcoGov 2) from October 1, 2004 through September 30, 2009, with a subsequent two-year option period through 2011. EcoGov 2 is the successor to a first phase contract, also implemented by DAI, which ran from December 2001 through November 2004. DAI has subcontracted with two American firms and four Filipino organizations to assist in the implementation of EcoGov 2: Emerging Markets Group (EMG), The Media Network (TMN), Orient Integrated Development Consultants, Inc. (OIDCI), The Marine Environment Resources Foundation (MERF), Resources Environment and Economic Center for Studies (REECS), and Cesar Virata and Associates (CVAI).

USAID and the Government of the Republic of the Philippines (GRP), acting through its Department of Environment and Natural Resources (DENR), developed the Environmental Governance Program to address the related problems of environmental degradation and poor governance. The intermediate results of the Program are to: reduce over-fishing and illegal and destructive fishing practices; reduce illegal logging and conversion of natural forests; and improve the management of water resources and solid waste. The scope of work (SOW) within USAID's contract with DAI for EcoGov 2 specifically directs the project to address:

- Environmental good governance with Local Government Units (LGUs).
- Improved management of forests.
- Improved management of coastal areas.
- Improved management of solid waste and waste water.
- Promotion of LGU investment into sanitation facilities.

As the Technical Assistance Contractor, DAI will help to achieve these intermediate results by working in three parts of the country: northern Luzon, the central Visayas region, and the greater portion of the southern half of Mindanao. DAI's main partners will be the DENR, the Department of Interior and Local Government (DILG), the Department of Agriculture's Bureau of Fisheries and Aquatic Resources (DA/BFAR), the leagues of municipalities, cities, and provinces, civil society organizations, and perhaps most importantly, the LGUs in the target geographic regions. To foster sustainability, DAI will work, where possible, with local service providers (LSPs – individuals, firms, and organizations that accept subcontracts) and grantees.

## **1.1 Background**

Over the last 30 years, the Philippines has undergone a catastrophic degradation of its environment and natural resource base. Only 18 percent of the country has forest cover; 60 percent of the country's land area suffers from soil erosion; less than five percent of the country's reefs are in excellent condition; 58 percent of all groundwater is contaminated; and almost ten million metric tons of municipal solid wastes are improperly disposed of each year. Environmental degradation negatively affects productivity and the well-being of local people, 20 million of whom live on forest lands and 50 million of whom live in coastal areas.

Causes of the degradation include rapid population growth, conversion of forest land to other uses, urbanization, pollution, and sadly, poor governance in the form of institutionalized corruption. At the local level, corruption is due, in part, to LGUs struggling with an unfunded mandate to manage natural resources while also having internal governance problems that prevent transparency, accountability, and participatory decision-making. At the national level, corruption is due, in part, to a centralized and monopolistic approach to decision making, poor policies regarding property rights, and high transaction costs.

Over the last 25 years, the GRP gradually accepted the principle that natural resources should be managed at a level whereby stakeholders who accrue costs can also gain benefits. The GRP has tried to create a legal and institutional framework devolving environmental management responsibility to LGUs, communities, and indigenous groups. Important laws and executive orders include:

- National Integrated Protected Areas System Act (NIPAS);
- Executive Order 263 (providing the legal basis for community-based forest management);
- Philippine Clean Air Act;
- Ecological Solid Waste Management Act;
- Indigenous Peoples Rights Act;
- Agriculture and Fisheries Modernization Act;
- Toxic and Hazardous Waste Act;
- Clean Water Act;
- Fisheries Code;
- Local Government Code of 1991; and
- Executive Order 318.

This framework is complemented by various department administrative orders (DAOs) and specific implementing rules and regulations (IRRs) that clarify national policies and provide detailed implementing procedures. (Among other things, this legal framework has established a national system of protected areas and granted tenure and property rights over public forest lands to local and indigenous communities.) The legal framework, if functioning properly, will center resource management around the decisions made at the LGU level, with national line agencies providing technical support services, standards, and policy guidance. However, making the legal framework operational at the LGU and community levels remains a challenge.

Gloria Macapagal-Arroyo was elected President in 2004 for a six-year term. The President put forward a 10-Point Agenda that is supported by the National Economic Development Authority's (NEDA) Medium Term Philippine Development Plan (MTPDP) for 2005-2009. The MTPDP



outlines the responsibilities and strategies of each GRP department, which in turn, have crafted Major Final Outputs (MFOs) in support of the plan. Each of the EcoGov 2 GRP partners – DENR, DILG, DA/BFAR – has MFOs that determine their budgets and operations.

## **1.2     *Work Plan Development Process***

The DAI Team has developed this life-of-project work plan in the context of the aforementioned problems of environmental degradation and poor governance, and in support of the GRP's institutional reforms and important departmental objectives. The main inputs into the creation of this work plan were:

- The EcoGov 2 Contract between USAID and DAI. The SOW within the contract lays out different targets, objectives, and tasks for DAI to follow.
- The Technical Proposal and subsequent clarifications that DAI submitted to USAID between April and September of 2004.
- The MTPDP of 2005-2009, and in particular, the chapter on environment and natural resources and agribusiness, which has these key thrusts: (1) sustainable and more productive utilization of natural resources to promote investments and entrepreneurship; (2) protection of ecologically fragile areas, (3) creation of a healthier environment for the population, and (4) mitigation of natural disasters to prevent the loss of life and property (see Annex 1 for the MTPDP's thrusts supported by each sector).
- The MFOs of DENR, DILG, DA/BFAR, particularly as they relate to the DAI Team's sector activities and performance indicators (see Annex 2 for the MFOs supported by sector activities).
- The lessons the DAI Team learned from having implemented the first EcoGov contract from 2001-2004.
- Interviews and workshops between EcoGov 2 specialists and our partners in October and November of 2004. The DAI Team presented a draft work plan to technical-level GRP counterparts. Based on advice from these counterparts, the Team presented a revised draft to the senior management of DENR, DENR and the Regional Legislative Assembly of the Autonomous Region of Muslim Mindanao (ARMM), the National Commission on Indigenous Peoples (NCIP), DILG, NEDA, and leagues and associations.

## **2.0 Approach**

The DAI Team's approach is to implement the EcoGov 2 project around "sectors" as defined in the Contractual SOW; namely: governance, forestry, coastal resources, urban environment management, and municipal finance. Section 3 of this document details the strategies and implementation activities we will employ in each sector. That said, the Team has incorporated six items into the overall approach to the project.

### **2.1 Cross-Sector Integration**

The DAI Team understands that EcoGov 2 is ultimately about the conservation of the Philippine environment and improved economic prospects for the Filipino people. While we have organized implementation around sectors (i.e., local governance, forests, coasts, urban environment, municipal finance), meeting the ultimate goal of environmentally sustainable development requires cross-sector integration. We will work to exploit the links between (1) forest management and/or waste management *with* downstream degradation of coastal fisheries; (2) local policies, practices, and behavior for the management of solid waste and wastewater *with* the prospects for promoting municipal finance; (3) advocacy from civil society to elected leaders [demanding better good governance] *with* better management of forests, coasts, and solid waste; and (4) the behavior of citizens and businesses regarding the payment of taxes and the adherence to law *with* the ability of local governments to carry out their environmental management mandates.

We will undertake many measures that typically cross multiple sectors within a given LGU. For example, we will:

- Assist LGUs with institutional arrangements: budget allocation, partnership with NGOs or the private sector, establishment of fees and penalties, improvements in solicitations and contracting, and improvements in enforcement.
- Build the capacity of LGUs and local level GRP agencies to carry out their mandates.
- Support advocacy efforts by civil society organizations.
- Support behavioral change through social marketing.
- Link LGUs and constituents with service providers – NGOs, academic organizations, networks, the private sector, and associations.

### **2.2 Policy Feedback**

The Philippines has made important progress in the crafting of national laws and policies for the devolution of control of natural resources to local institutions, as discussed in Section 1. However, this policy change process is not complete. Through EcoGov 2, the DAI Team will use a strong local presence to provide feedback on the value, impact, and constraints of national policy. Some national policies, while good in theory, are impossible to implement at the

local level. The DAI Team will work with LGUs to understand if certain national policies are in fact a hindrance, and if they could be made less cumbersome, our Manila-based experts will then work with appropriate GRP counterparts to institute changes.

### **2.3 LGU Selection and Self-Selection**

EcoGov 2 starts with 79 LGU partners that participated in the first EcoGov project. In a certain sense, these LGUs were self selected. In early 2002, the Team approached large groups of LGUs and asked them to submit expressions of interest demonstrating objectives similar to those of EcoGov. The result, on the one hand, was a set of partners that was geographically dispersed and that had a broad range of technical issues. On the other hand, the result was a set of partners that were highly motivated. Going forward, EcoGov 2 will expand by looking for similarly motivated LGUs. At the same time, we have strategic interests that will direct us to approach LGUs that (1) are contiguous with current partners (allowing for clustering and economies of scale), (2) are in important areas of biodiversity or fragile habitat, and (3) are demonstrative of sector or cross-sector targets (e.g., links between household waste management behavior and municipal finance).

### **2.4 Phasing**

As stated, EcoGov 2 starts with 79 LGUs (See Annex 3 for the list of these LGUs and indicative TA timetable). USAID expects the project to expand to 100 LGUs. However, the country has more than 1,600 cities and municipalities and 79 provinces, which has led USAID, the GRP, and the DAI Team to emphasize activities that could be replicated elsewhere in the country – without the same level of donor assistance. If that is the first caveat, the second caveat is for the DAI Team to push partner LGUs beyond mere planning and into implementation – such that, for example, an LGU does not just have a forest land use plan, but actual trees are growing in the ground.

To meet these two caveats, EcoGov 2 will proceed in phases. In the first phase, over approximately the first two years of the project, the Team will focus on existing partners. Wherever possible, we will help them move into implementation activities, or help them move to a point where they need less project assistance. Thus, we expect to gradually “wean out” technical assistance activities from certain LGUs by 2007. The second phase, beginning in 2007, will take the DAI Team into at least 21 new LGUs. As stated above, we will use various criteria to identify the LGUs that will become our new partners.

### **2.5 Project Replication**

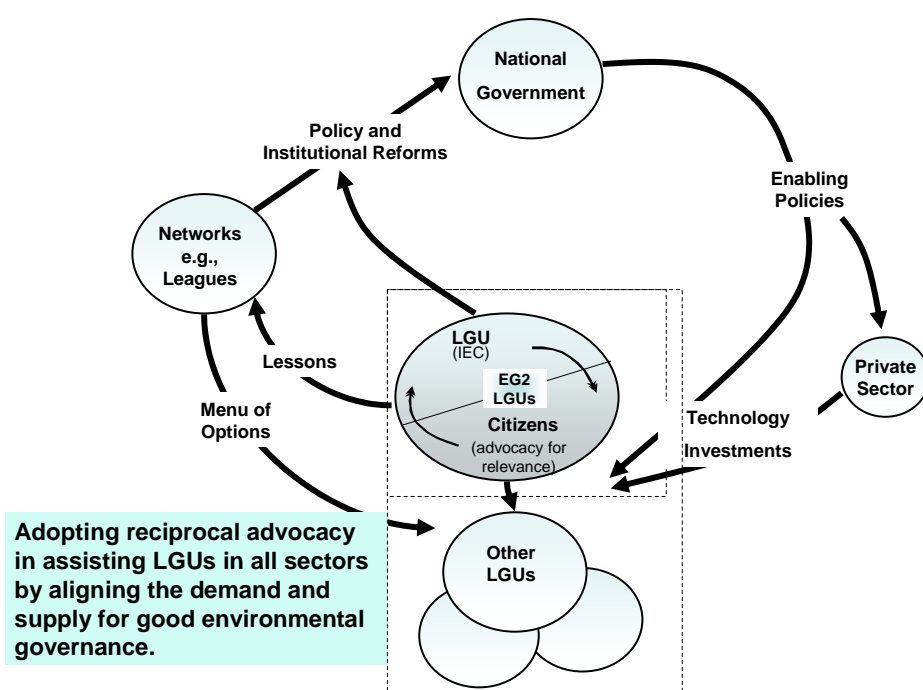
The DAI Team must consider more than just expansion to 100 LGUs and actual replication of the project nationwide. Thus, our approach has several aspects that we will employ immediately.

- a) Promotion of national policy reforms that removes the barriers to LGU control over natural resources.
- b) Promotion of national policy reforms that improves LGU ability to raise financing for environmental services.

- c) Collaboration with other initiatives (e.g., in the field of family planning or small enterprise promotion) that indirectly affect resource management.
- d) Development of training modules and best practices that other LGUs can easily and cheaply adopt on their own.
- e) Capacity building within national or provincial level counterparts who affect multiple LGUs.
- f) Promotion of behavior change (regarding use of resources) and support of advocacy (for better environmental governance).

The last point is perhaps the most subtle and conceivably far-reaching. We attempt to capture it in Figure 1.

**Figure 1. Upscaling strategy for EcoGov 2 Project**



In target LGUs, the DAI Team will test social marketing methods to effect behavior change. We will start with household disposal and segregation of solid waste, but could, as easily, try to convince people to adopt better fishing methods or pay taxes that fund sewer systems. At the same time, and hopefully as individual knowledge and attitudes are changing, we will support advocacy efforts by civil society organizations who *demand* good environmental governance from their elected leaders. Gradually, LGUs themselves could build alliances and coalitions that advocate for policy change, leverage financing, and cooperate in enforcement and management. Essentially, in starting with 79-100 LGUs, DAI will attempt to create a positive spin where households and LGUs see the rewards of better environmental management.

## 2.6 Flexibility in Project Methods and Goals

EcoGov 2 will operate in multiple locations and in multiple sectors over five to seven years. In that time, the DAI Team anticipates the project could change in any of several ways. It is easy to imagine that some LGUs may drop out as partners along the way due to other commitments or interests. Similarly, certain sectors may become less relevant in one geographic region and more relevant in another, changing the DAI Team's distribution of resources. There also could be a natural or manmade disaster – a typhoon, an insurgency, an economic crisis – that demands the DAI Team to move toward – or away – from a particular location.

For these reasons, EcoGov 2 will be responsive and adaptive. Each yearly work plan will reflect how assumptions and circumstances have changed. Even with such changes, the overall approach for EcoGov 2 will be to promote local level resource conservation and economic development in the country.

The Year 1 workplan of EcoGov 2 in Annex 11 contains the key assumptions for 2004 to 2005.

## 2.7 Redefinition of Targets

The Contractual Scope of Work (SOW) states numerical targets for each of the five sectors. The DAI Team understands these *targets* as distinct from *deliverables* to which USAID will hold DAI to account. Our approach will always work toward the targets – we will develop a performance monitoring plan with indicators that incorporate these numerical figures. On the other hand, during the Team's consultations with partners and stakeholders in October-November 2004, we gained a refined understanding that these targets may not necessarily be the most appropriate guide to implementation. In the following section on sector strategies, we discuss how a redefinition of some of the targets – or a revised understanding of what they mean for the actions of the DAI Team – will improve implementation.

**Table 1. Summary of Five-Year Work Plan Targets vis-à-vis the Scope of Work Targets**

| Key Performance Indicators  | Definition/clarification of indicators   | Five-Year Target per SOW | Five-Year Targets per Work Plan |
|---|--|--------------------------|---------------------------------|
| 1. Number of institutions practicing good governance                      | <ul style="list-style-type: none"><li>Improvements as shown by measuring key performance indicators of good environmental governance in target government institutions (LGUs, DENR field offices, etc.) at start, mid and end of project</li></ul> | 80                       | 80                              |
| 2. CRM – Number and total area (ha) of new marine sanctuaries established | <ul style="list-style-type: none"><li>MSs meeting minimum threshold governance level of management bodies formed, management plan legitimized and budgets allocated, with initial implementation actions</li></ul>                                 | 20 (300 ha)              | 20 (400 ha)                     |

| <b>Key Performance Indicators</b>                             | <b>Definition/clarification of indicators</b>  | <b>Five-Year Target per SOW</b> | <b>Five-Year Targets per Work Plan</b>                               |
|---|--|---------------------------------|--|
| 3. CRM –Number and total area (ha) of existing MSs managed    | <ul style="list-style-type: none"> <li>Established MSs meeting the minimum threshold governance level of management bodies formed, management plan legitimized with budget, with at least one year enforcement of regulations in and outside the core zone.</li> </ul>   | 60 (750 ha)                     | 50 (2,500 ha)  |
| 4. CRM – Total area (ha) of improved coastal resources        | <ul style="list-style-type: none"> <li>Annual local budget allocation for CRM; resource management organizations formed and functional; good practices implemented in two components of the legitimized Fisheries Resources Management Plan or two zones identified in the CRM Plan</li> </ul>   | 800                             | 106,400 ha   |
| 5. FFM -Total area (ha) of improved natural forest management | <ul style="list-style-type: none"> <li>Open access forests and forest lands placed under tenure or allocation instruments based on legitimized and approved FLUPs or jointly signed co-management agreements;</li> <li>Tenured areas under sustained management as evidenced by several indicators such as approved management plan with adequate budget, commitment to implement individual property rights, functional management structure, active forest protection and policy enforcement, sustainable source of financing and livelihood, existing system for resolving conflicts, and established external linkages.</li> </ul> | 150,000 ha                      | 250,000 ha   |
| 6. UEM –Number of LGUs diverting 25% of waste                 | <ul style="list-style-type: none"> <li>LGUs diverting 25% of recyclables and biodegradables as measured from end-of-pipe (EOP) assessment after 3-5 years of implementation in selected LGUs and evidenced by specific LGU actions to reduce waste stream.</li> <li>Additional indicators are: LGU with completed plans, with SWM ordinances, with organized informal recycling and waste handling systems, and with composting facilities.</li> </ul>   | 90 LGUs diverting 25% of waste  | 90 LGUs diverting 25% of waste<br><br>90 LGUs (for each action area) |

| Key Performance Indicators  | Definition/clarification of indicators   | Five-Year Target per SOW | Five-Year Targets per Work Plan     |
|---|--|--------------------------|-------------------------------------|
| 7. UEM – Number of LGUs with investments in sanitation facilities | <ul style="list-style-type: none"> <li>Actual investments by LGUs or private sector (with agreements, contracts) in sanitation facilities (e.g., waste water management or treatment facilities, which may range from simple sanitation structures to large infrastructures such as sewage treatment facilities and plants.)</li> <li>Additional indicators are LGUs with wastewater management plan, with engineering plans (includes SWM)</li> </ul> | 20                       | 20<br><br>40 (for each action area) |

### 3.0 Technical Approaches to Achieve Project Objectives

EcoGov 2 requires an integrated approach to address the environmental threats and challenges confronting forest and coastal zone management and improving the urban environment. Outlined below are the sector and cross cutting approaches the team will apply to achieve project objectives. Annexes 4-9 provide a more specific discussion of the sector and cross-cutting approaches that will be pursued in the project to:

- (a) Address key environmental and natural resources management challenges;
- (b) Support the implementation of MTPDP and MFOs; and
- (c) Strengthen national government policies that govern the protection and conservation of the country's environment.

The DAI Team will implement five single-sector strategies that correspond directly to the Contractual SOW and two cross-cutting strategies that the Contract outlines separately. The sectors are: (1) good environmental governance, (2) forestry, (3) coastal resources, (4) urban environment management, and (5) promotion of municipal finance. The cross-sector strategies are for: (6) advocacy and social awareness, and (7) policy reform.

#### 3.1 *Strengthening Good Governance Using the Good Environmental Governance Index*

##### *Understanding the Target*

The Contractual SOW states that by the end of the project, at least 80 government institutions (including both national and local government institutions) will exhibit improved governance practices in terms of resource management planning, budgeting, procurement, licensing, permitting and the issuance of tenure and resource allocation instruments, and in the enforcement of laws and regulations. The DAI Team has several comments on this target which, when considered, should improve project results.

First, the Contract defines the above target in terms of governance processes (e.g., licensing). However, many of the implementation measures for the subsequent sectors (i.e., forests, coasts, waste, municipal finance) are also process oriented. For example, we will help LGUs develop solid waste management plans. These plans will entail measures related to the licensing of waste collection agents and the establishment of fees that they may charge households. When we achieve our solid waste target, in one sense, we will have made progress toward our governance target. Thus, the target, as stated, is redundant. We will not work on governance issues in the abstract, but in relation to specific natural resource sectors.

Second, the Contract calls for the creation of an *index* for good environmental governance. An index is a number: a calculated and weighted summary of scores on subordinate indicators. When creating an index, one must ask what is it for, who is supposed to see it, and how should they understand it. The risk is the creation of an index (on good environmental governance) that is itself abstract, not transparent in its calculation, and subject to manipulation such that it becomes meaningless. DAI therefore prefers to focus on the indicators that go into the creation of the index. We then ask again, when creating a performance monitoring system, who will use it:

- Is the monitoring system purely “internal” – a way for DAI to show to USAID, and for USAID to demonstrate to its constituents, that our 79 partner LGUs were at one point in 2004, and at some advanced point in 2009?
- Is the monitoring system to be shared with LGUs for them to understand their own performance – do the indicators provide a “report card” or “roadmap” for LGUs to chart out their own capacity building effort? In which case, do we want an index showing municipal *capacity*?
- Rather than capacity, is the monitoring system about municipal *effectiveness*? That is, should the monitoring system be a tool that the public or advocacy organizations can use to shame or reward LGUs?

We also ask: what is the value in creating a system for monitoring (of good environmental governance) if the monitoring system itself is not sustainable beyond the life of the project? If the DAI Team creates its own index of good environmental governance, as proposed in the Contract, the index will likely only be good for the period of the contract. Alternatively, the DAI Team will look at ways to *institutionalize* the system for monitoring the performance of LGUs by linking with other GRP, donor-funded or independent initiatives.

### ***Approach***

The answers to the above questions affect our approach to achieving this target. We will approach this target in two ways. First, we will assume that this index is an *internal* measurement system in which DAI Team members will collect information to be shared with USAID. The team will identify key governance-oriented performance indicators and use these indicators and a municipal capacity index to simplify the draft environmental governance index prepared under EcoGov 1. This index will be finalized with input from USAID, DENR, DILG and other partners, and used to establish baseline information on the governance capacity of the more than 80 local and national government institutions participating in the project. The Project’s environmental governance index for the targeted 80 institutions including the conduct of the baseline surveys will be completed on or before June 2005. The project plans to conduct



at least 2-3 surveys among the 80 government institutions to determine improvements in their environmental governance over the next 5-7 years.

Second, in mid-2015, we will closely study the DILG local government performance monitoring system and recommend whether or not EcoGov 2 should formally link technical assistance in support of that system. As an “indigenous” product, the DILG system has a much better chance of lasting beyond the life of EcoGov 2. Moreover, as we understand the system, it incorporates many of the indicators in which we are interested. However, linking to the DILG could have cost and labor implications for the project that demand revisions in our annual work plans.

We will also closely study other governance-related monitoring systems, including the USAID-supported Rule of Law Effectiveness (ROLE) program's integrity index, the Asia Foundation's Transparency, Accountability, and Governance program, and the past efforts of the Social Weather Station. Each offers lessons and possible links for EcoGov 2 that are already better developed and/or offer opportunities for sustainability beyond a stand alone environmental good governance index.

### **3.2 Strengthening Forests and Forest Lands Management (FFM)**

The main objective of the FFM sector is to address threats to the country's forest resources, mainly caused by illegal logging and the conversion of forest lands to agricultural, industrial and urban uses.

#### ***Understanding the Targets***

The EcoGov 2 Project has targeted bringing 150,000 ha of forest cover under improved management by the end of five years, expanding to 190,000 ha by the end of seven years. The team actually expects to bring at least 250,000 ha of natural forest under improved management by the end of the fifth year, where “improved management” means placing open access areas under certain tenure/allocation and putting tenured areas under sustainable management as defined by the following indicators:

- Updated and approved management plan with adequate budget commitment by tenure holder;
- Implementation of individual property rights within tenured area;
- Existence of a working or functional management structure;
- Year-round protection and enforcement;
- Adequate and sustainable source of financing and livelihood (for community-based tenure arrangements);
- Regular monitoring and evaluation of forest management and other activities within tenured area;
- Existence of a system or mechanism for managing conflicts within the tenured area; and
- Established external linkages with resource institutions, markets, processors and investors.

#### ***Approaches to Achieving Targets***

- 1) **Strengthen collaboration between the DENR, DILG, and LGUs in forest lands management.**

- Provide technical assistance to 20 LGUs as they implement their completed and legitimized Forest Land Use Plans (FLUPs). These existing FLUPs cover 491,000 ha of forest lands. Efforts will focus on clarifying tenure responsibilities for “open access areas”, strengthening on-site management for those forest lands under existing land and resource tenure agreements, helping resolve conflicts between the DENR, LGUs, private sector and local communities dependent upon the forest lands for their livelihood, and facilitating support from the LGUs, DENR, private sector, and other stakeholders to those groups actually managing the forest resources.
- Assist 10 other LGUs to complete their FLUPs, and have these plans legitimized, approved and implemented.
- Within these 30 LGUs with FLUPs, assist 11 LGUs, who signed specific co-management agreements with the DENR to develop and implement resource management plans that will govern the use of specific lands, like city watersheds and mangrove areas.

**2) Tailor technical assistance to the distinct characteristics and issues in the EcoGov 2 regions.**

The diversity in cultures and situations found across the country demand that specific approaches be developed to address cultural and regional situations. The team will use different approaches to demonstrate synergies between upland, urban and coastal resource management, inter-LGU collaboration on watershed management and protection, public and private partnerships, and approaches to conflict resolution. The team will document and disseminate these experiences and success stories through publications, and incorporate lessons learned into training and workshop programs for LGU, DENR, LSPs, and NGO staff.

**3) Strengthen the capacity of national and local government institutions and LSPs to develop and use FLUPs and co-management agreements.**

The EcoGov 2 team will strengthen the capacity of the DENR, DILG, LGUs, and LSPs to prepare and implement municipal and provincial FLUPs and co-management agreements. Activities will focus particularly on using prepared training and implementation modules to strengthen the capacity of DENR, DILG and LSPs staffs to assist LGUs to prepare, legitimize and implement approved FLUPs.

**4) Review and strengthen policies that govern forest lands management**

The Project will focus its policy efforts on: (a) strengthening national policies that govern forest lands management; (b) institutionalizing the use of co-management agreements between the DENR and LGUs; and (c) the completion of the IRR and initial implementation of the Muslim Mindanao Autonomous Act 161 (ARMM Sustainable Forest Management Act) and of Executive Order 318 (Promoting Sustainable Forest Management in the Philippines). EcoGov 2 also will review and support the development of enabling policies related to resource users' fees, private and public investments in forest lands, and regulation and management of foreshore areas. One of the goals of this policy support is to “stabilize” the climate for investments by local

communities, LGUs and the private sector in forest-based enterprises and in forest land management.

#### 5) **Improve the forest cover information of Northern Luzon.**

The project will assess the recent mapping work completed for Northern Luzon by the DENR and other donor-funded projects to determine data gaps and actions needed to enhance the usefulness of the information in FLUP and site management planning. EcoGov 2 will conduct workshops in targeted provinces to review, harmonize and validate the maps and their production for the EcoGov-assisted LGUs.

#### *Use of Grants*

We anticipate issuing competitive and non-competitive grants in support of all aspects of community forestry, mapping, and FLUP implementation.

#### *Scaling Up Efforts to Achieve Impact*

Beginning in Year 3, EcoGov 2 will consider expanding activities to other LGUs that control or depend upon priority biodiversity areas within the project's geographic regions. Project would also strengthen collaboration among LGUs that share a critical resource and thus create a greater and significant impact on biodiversity conservation. Among potential expansion areas under consideration are the Upper Magat watershed (Northern Luzon), Mt. Apo range (Regions 11 and 12), Piapayungan Range (Lanao del Sur), Daguma Mt Range (Sultan Kudarat), and the Maguindanao and Lake Sebu areas (see Annex 10 for the map of proposed FFM expansion areas).

### **3.3 Strengthening Coastal Resources Management (CRM)**

The CRM component addresses the critical threats to the country's coastal resources caused by primarily overfishing and the use of destructive fishing practices.

#### *Understanding the Target*

The Project targets placing at least 800 ha of coastal areas under improved management, establishing 20 new marine protected areas (MPAs) that cover 300 ha, and improving the management of 60 existing MPAs (covering 750 ha).

Given the experience gained under EcoGov 1 and other projects in the Philippines, the team proposes revising the CRM targets for the first five years to:

- 1) **106,400 ha** of coastal areas under improved management. The total area under improved management will be measured as the total municipal water area of an LGU from shore out to 5 km, which is roughly one third of the municipal waters<sup>1</sup>. improved management means:

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<sup>1</sup> This is considered as reasonable area within sight from shore, response time of law enforcers within 20 minutes (for boat running at 10 nautical miles per hour)

- There is a legitimized fisheries/coastal resources management plan<sup>2</sup>;
- There is annual local budget allocation for CRM;
- A resource management organization has been formed and is functional; and
- Good practices in coastal resource management and/or fisheries management are being implemented.

An LGU will have improved the management of its coastal and municipal waters when it meets the first three conditions and it implements at least two good practices in fisheries management and/or coastal resource management. For LGUs with CRM plans, there should be at least two implementation actions undertaken in one zone aside from the protection or municipal fishery zones. For LGUs with fisheries management plans, at least one implementation action should be related to enforcement and the other should be on the management of fishing effort.

- 2) **20 new marine sanctuaries<sup>3</sup>** established covering **400 ha** and **50 existing marine sanctuaries** under improved management covering **2,500 ha**. While the number of marine sanctuaries will be less than the project target, the area encompassed by marine sanctuaries will surpass the project objective. The 50 strengthened marine sanctuaries shall include the 20 newly established marine sanctuaries. This approach underscores the team's belief that impact will be greater by focussing efforts in establishing and strengthening fewer, larger marine sanctuaries. The project will work with LGUs to establish new marine sanctuaries (i.e., not previously declared or established) that meet these minimum requirements: management bodies formed, management plan legitimized, budget allocated by LGU, and with at least two implementation activities started (e.g., community IEC, installation and maintenance of buoys, patrolling, apprehension). EcoGov 2 will use a rating system that will define the full set of criteria for established marine sanctuaries.<sup>4</sup>

For the existing marine sanctuaries, the project will *strengthen* the capacity of organizations responsible for sanctuaries where the efforts by the group have been sustained more than one year and have resulted in reducing fishing effort and destructive fishing in no-take areas.

### *Approaches*

The CRM sector will implement the following key strategies in the regions and with the support of the cross sector teams.

- 1) **The EcoGov 2 team will focus initial efforts on the 22 LGUs assisted under EcoGov 1 with legitimized CRM, fisheries management, and marine sanctuary plans.** The team will prioritize implementation support activities to the LGUs so that they are able to address illegal fishing, over-fishing, and destructive fishing in the municipal waters while strengthening capacities for conservation of marine

<sup>2</sup> The priority areas in Year 1 are those, which already have legitimized plans. This criterion will apply to new/ additional CRM/FRM sites.

<sup>3</sup> **Marine sanctuaries** will be used in EcoGov 2 to refer to marine protected areas which are under the jurisdiction of LGUs.

<sup>4</sup> A governance-enhanced rating system for MPAs/marine sanctuaries will establish the levels of MPA/MS development: established, enforced, sustained and institutionalized. Each will have a set of biophysical and governance indicators, with the threshold implementation actions or "must" actions defined for each level.

sanctuaries, enforcement, and use of decision support tools and incentive systems to promote and sustain good governance practices.

- 2) **Establish a self-sustaining network of marine sanctuaries to achieve strong compliance and perform various governance initiatives.** The networks of marine sanctuaries (i.e., managed by POs and/or NGOs, by barangay LGUs or jointly by barangay and municipal LGU) will be supported by a Memorandum of Understanding (MOU) with the support of concerned LGUs through ordinances or resolutions. See map in Annex 10 for proposed areas for marine sanctuary networking.
- 3) **Strengthen capabilities of LSPs and create a market for technical assistance services of LSPs.** Training and mentoring will be provided to build the capacity of institutional LSPs that will include regional and provincial DENR and BFAR personnel, academic institutions and region-based NGOs. With EcoGov 2 team's guidance these LSPs will provide technical assistance to LGUs and their constituents towards sustained good governance of coastal and fishery resources management during and beyond the life of the project.
- 4) **Develop and demonstrate the use of decision support tools and incentive systems to promote and sustain good governance practices.** The team will use tools, like the Fisheries BioEconomic model (Fish BE), for integrating LGU efforts in marine sanctuaries, fisheries management and coastal management. These tools will also be used in the development of social awareness and advocacy programs, and to generate inputs for the development of pertinent policy and sustainable financing support for related CRM efforts.
- 5) **Coordinate with related projects, NGOs and National Government Agencies (e.g., DENR, BFAR) to enhance fishery/coastal enforcement and to develop policy and sustainable financing mechanisms.** Aside from assisting DA-BFAR and DENR to mainstream CRM technical assistance services to LGUs, the project will share information and utilize lessons learned from related CRM projects to optimize the use of resources and effectiveness of technical assistance particularly on fishery and coastal law enforcement, and the development and use of incentive/disincentive systems to manage fishing effort.
- 6) **Address the needs and roles of women and other marginalized groups in coastal governance.** While gender concerns are incorporated in all coastal management interventions, the team will target specific efforts to enhance the role of women in coastal enforcement, provide areas for employment and income generation, and to take advantage of the powerful role women can play as channels for IEC and advocacy to inculcate values and practices on good environmental governance.

### *Use of Grants*

We anticipate issuing competitive and non-competitive grants in support of all aspects of community-based marine sanctuary management and coastal resources management, including their networking, public advocacy, and resource mobilization initiatives.

### *Scaling Up Efforts to Achieve Impact*

The project will use the following approach to achieve a significant scale of impact that can serve as the basis for replication in other parts of the country:

- **Adopt a bay-wide/ecosystem approach to both consolidate and scale-up efforts in priority bays and marine biodiversity areas.** Efforts will continue to strengthen bay-wide management approaches begun in Illana Bay, Sibuguey Bay, Camotes Sea and Baler Bay. The team will strengthen inter-LGU alliances in coastal and fishery management, particularly in joint fishery law enforcement and networking of marine sanctuaries to expand efforts to other adjacent LGUs within the respective provinces.
- **Mobilize and institutionalize regional and provincial support to promote inter-LGU CRM efforts.** The team will explore the formation of inter-LGU alliances and national networks to further enhance the effectiveness, sustainability and replication of CRM actions. The goal will be to demonstrate the enhanced beneficial ecological and economic outcomes of inter-LGU efforts in coastal and fisheries management.

### **3.4 Strengthening Urban Environmental Management (UEM)**

The project responds to the urgent need to address the unmanaged solid and liquid waste problem that threatens public health and environmental sustainability.

#### *Understanding the Targets*

Per the law of the GRP, LGUs should divert 25 percent of their solid waste into recycling, composting, and away from sanitary landfills. This is a very ambitious target which has been reflected in the Contractual Scope of Work. However, the DAI Team believes that a focus on this target will actually divert our attention away from the real goal of improving overall waste management. To achieve the goal as stated, DAI would first have to measure total waste disposal in 90 LGUs (i.e., establish a current baseline), and then measure reduction in selected LGUs following a stratified system of sampling. Rather than try to prove a negative, we believe better measurements of project accomplishment will be:

- 90 LGUs with completed waste management plans for solid waste management and 40 LGUs with plans in-place for how they will manage wastewater.
- 90 LGUs with policies (ordinances) passed by the Sanggunian Bayan/Panglungsod that establish clear rules for waste management, provide the appropriate penalties and incentives for households and commercial establishments to improve their waste management practices, and establish income streams through fees, taxes or other charges for financing new investments in waste management infrastructure.
- 90 LGUs that have committed support to strengthen the organization and expansion of the “informal” recycling and waste handling systems and are leveraging the capacity of these systems to improve waste management as part of their waste management plans.

- At least 5 LGUs where, in response to organized social marketing campaigns, residents support new investments in waste management infrastructure, and have modified how households and commercial establishments in the highly urban zones handle waste products.
- At least 40 LGUs or clusters of LGUs with legitimized and approved engineering plans for new waste management systems, whether controlled dumps, sanitary landfills, or wastewater treatment facilities.
- At least 90 LGUs with operating composting facilities.

### *Approaches*

The team will:

- Work with the DENR/EMB to help it develop a workable strategy for developing management systems and improving the enforcement of requirements under the Solid Waste Management Act (RA 9003) and the recently passed Clean Water Act.
  - Work with LGUs that exhibit commitment to improving waste management to (a) design and implement waste management plans; (b) issue ordinances that will facilitate improved waste management; (c) identify appropriate areas and technologies for waste management/processing facilities; (d) establish fees, taxes or other charges to help pay for improved waste management; (e) utilize the capacity of the informal and private sectors to improve waste management and recycling; and (f) develop specific investment plans for new waste management facilities.
1. **The project will concentrate early efforts on the 44 LGUs that participated in EcoGov 1, and help these LGUs to implement their completed and/or legitimized waste management plans.** List of the LGUs and the indicative TA timetable in each are in Annex 3. Team will also assess interest among these and other LGUs to identify LGUs that are interested and willing to commit resources to improve wastewater management. Finally, the team will work with LGUs to identify point and non-point sources of toxic and hazardous wastes, and help LGUs incorporate the management of these waste materials into their overall waste management plans. Efforts will focus on the public markets, commercial areas and the residential sections of highly urban areas within cities and municipalities, and encompass the following elements:
    - Work with the LGUs to draft and pass ordinances that will facilitate improvements in waste handling and management, and provide assistance to LGUs related to how they will enforce these ordinances.
    - In selected LGUs, analyze the organization and operation of the informal waste collection system – especially for recyclable materials and septage. The objective will be to determine whether these systems can be strengthened and expanded to include other waste materials (i.e., compostable materials). Based on these analyses, the team may tailor some assistance to help improve the operations of the informal sector in waste management.

- With selected LGUs, assess the wastewater/sanitation problems and options for how the LGUs can improve wastewater management and treatment.
  - Identify, analyze and document existing private sector operations in waste management (both formal and informal), and help LGUs determine how best to utilize and/or manage these private sector operations to improve overall waste management. Based on these analyses, the team may tailor some assistance directed at improving private sector waste management operations.
  - In selected LGUs, develop and demonstrate social marketing campaigns to improve the public's understanding of solid waste management issues and options; strengthen the enforcement of municipal ordinances; and to improve the recycling and composting of wastes by households, public markets and commercial establishments.
  - Working with clusters of LGUs and the DENR, help identify suitable sites for waste management facilities, outline investment options, and help facilitate public discussions of options for improving waste management.
  - Build upon the work begun in the USAID-funded LINAW project as well as other donor efforts, and help the interested LGUs to develop investment and engineering plans and prefeasibility studies of potential investments in solid waste and sanitation facilities.
2. **Beginning in the third year, replicate lessons learned and approaches through work with networks and clusters of LGUs to meet national waste management requirements and project targets.** Efforts will focus on the following activities:
- Training for LGU staff in developing waste management ordinances, and lessons learned in the effective enforcement of ordinances.
  - Training to improve the LGU staff's understanding of the existing and potential roles of the private sector in waste management.
  - Requirements for siting and constructing waste management facilities and the estimated costs of such investments.
  - The development of local social marketing campaigns to improve the general public's understanding of solid waste hazards and solutions, and to improve compliance with ordinances.
3. **Promote the use of public advocacy social awareness campaigns to strengthen public support for improved waste management.** Partners in advocacy and social awareness campaign may include DENR/NSWMC, DENR-Environment Management Bureau (EMB), Solid Waste Management Association of the Philippines (SWAPP), Provincial Government ENROs, environmental NGOs and CSOs. The objectives of these campaigns will be to enlist public support for improved waste management, encourage information exchange, and strengthen capacity of national government agencies, LGUs and NGOs and other advocates for better waste management and treatment.



4. **Collaborate with CRM Team to demonstrate the implementation of the Blue Flag system in specific coastal areas.** Through its work under the CRM and UEM components, the team will explore the potential of establishing the “Blue Flag” system in selected coastal tourist zones in the project areas.
5. **Working closely with the project’s LGU Finance team, identify and promote private sector participation in waste management infrastructure.** This may include arrangements with the Water districts to provide adequate sewerage system and sewage treatment facilities in addition to water supply. It may also include recommending and crafting incentives for other private groups interested to pursue wastewater management related projects in the LGU.

### *Use of Grants*

We will award competitive and non-competitive grants for the organizations of junk collectors, promotion of behavior change (e.g., through school-based education), and the analysis of waste handling behavior at a household level.

## **3.5 Improving LGU Revenues and Access to Financing**

### *Understanding the Target*

The project’s target is to help at least 20 LGUs mobilize investments for wastewater sanitation facilities within five years expanding to 26 LGUs by the end of year seven.

To achieve this target, the team will work with participating LGUs to: (a) help them improve their Internal Revenue Allotment (IRA) budgeting processes and broaden their revenue generation strategies to include non-traditional financing for environmental governance initiatives, (b) develop and package specific projects to access external financing to meet the following objectives, and (c) expand solid waste management facilities.

- 26 LGUs investing in sanitation facilities within seven years;
- Strengthen the ability of LGUs to raise financing and mobilize investments or grants to: (a) enlarge the coverage of natural forests under improved management and expand tree plantations of high value perennial and agroforestry crops; (b) expand the coastal areas under improved management, and support networks of marine sanctuaries, and (c) establish solid waste facilities.

### *Approaches*

- 1) **Starting with participating LGUs, assess the kind and extent of technical assistance needed that will lead to actual investments in waste management infrastructure.**
- 2) **Assist selected LGUs to develop investment plans and prefeasibility analyses of UEM, CRM and FFM projects.** This may involve:
  - Evaluating LGUs to determine their development needs, financing capabilities and level of commitment,
  - Advising partner LGUs on different approaches they can use to mobilize the financing needed for project development and implementation targeted by the UEM sector, and
  - Identifying sustainable financing mechanisms that the partner LGUs may develop or access.

Results will be synthesized and used to recommend policy changes that are needed to stimulate investments in waste management infrastructure and resource management projects.

- 3) **Assist LGUs to develop and carry out plans for mobilizing the financing needed for projects, particularly waste management infrastructure.** Team will support activities like:
  - Helping structure collaborative financial arrangements between LGUs to create economies of scale in capital-intensive projects, such as sanitary land fill projects;
  - Helping LGUs to identify and develop additional revenue streams needed to finance projects;
  - Identifying opportunities to build public-private partnerships for the development or management of waste management infrastructure. Help LGUs implement public-private partnerships that follow established approaches for private sector participation in municipal infrastructure construction and management.
  - Working with other donor projects, help LGUs take advantage of innovative approaches to secure financing for waste management infrastructure.; and
- 4) **Train LGUs, LSPs and project stakeholders on financing options, budgetary impact analysis and the project development process.** Assistance to the LGUs will be performed with LSPs and gradually shift towards LSPs providing assistance to LGUs with EcoGov 2's guidance and direction.

- 5) **For targeted projects of the FFM and CRM sectors, facilitate the approval of Sanggunian Bayan/Panlungsod bodies** of proposed projects, recommendations and proposed approaches to institutionalize and operationalize non-traditional sources of finance.

### **3.6 Increasing Social Awareness, Advocacy and Political Support**

This work supports all targets and deliverables. Advocacy and social awareness will:

- Facilitate the formulation, and passage of local and national policies for improving environmental governance;
- Help the LGUs influence the behavioral patterns of residents, commercial operators, and public market managers in the way they manage their wastes;
- Help organize and mobilize collective actions among fisher folks, forest occupants together with other local stakeholders to address illegal activities and support sound management of their municipal waters and forests;
- Support the development of improved environmental governance policies and practices of LGUs and local technical partners; and
- Help expand and replicate project initiatives to other LGUs and constituents.

#### ***Approaches***

- 1) **Support and strengthen the advocacy roles of various actors in improving environmental governance policies and practices**

Project sponsored advocacy and social marketing campaigns will focus on the key actors in local environmental governance. Advocacy and social marketing efforts will be used to change/modify policies at the local and national levels, to direct or re-direct decisions so that they become consistent with good governance, and to change/modify individual and collective behaviors. The key actors who will be involved are the LGUs, civil society groups, the leagues, other LGU-based networks and alliances, the national government agencies, and the private sector.

- 2) **Strengthen capacities of partners in planning and carrying out advocacy, governance and social awareness campaigns**

The team will nurture partnerships between national government agencies and LGU-based local special bodies (MDCs, Solid Waste Management Boards, FARMCs, CBFM federations, etc) and the LGU units charged with program implementation. The objective of these partnerships will be to develop shared visions and service delivery programs.

The team will provide training and capacity building technical assistance to strengthen frontline staff of the DENR and other key national partners, LGUs, provinces, Leagues, NGO networks, LSPs, and media organizations/practitioners to improve environmental governance policies and practices at the local level. Capacity building will build on experiences, lessons learned, and best practices at the local, regional, and national levels, and adapt in response to lessons learned and recommendations from other projects and initiatives.

- 3) **Conduct social marketing research and campaigns in a few targeted LGUs that represent different LGU clusters.** The purpose of the social marketing research and campaigns will be to determine the most appropriate approach for changing individual and collective behaviors among LGU leaders, key stakeholders and constituents, and to build local support for changes in environmental management and governance. In partnership with LGUs, the Project will design an appropriate social marketing research and campaigns that initially will focus on waste management issues and approaches. Results of the social marketing research will be used in developing LGU-specific and constituent-focused social marketing campaigns to bring about changed behaviors in waste management practices.

### **3.7 Improving Environmental Governance Policy**

#### ***Targets***

Policy targets may change from year to year; but, the overall objective is to assist decision makers make environmental governance policies at all levels consistent with allocation and leveraging resources and implementation practices.

The yearly targets may be in the form of signed ordinances or resolutions at the local level, approved re-allocation or increased budgetary support for improving environmental governance at the local or national level, regional and national policies (administrative issuances or legislative acts or court decisions) responding to demands from the “demanders” of good environmental governance, increased capacity among partners to organize and better articulate their demands for improved policies and allocation of resources in support of these policies, and increased capacities for networking and assisting each other at the local and national levels.

#### ***Approaches***

To effectively meet EcoGov 2 targets in this cross sector, the team will employ the following approaches and strategies as it prepares and implements its Annual Work Plans.

- 1) **Employ the demand-driven approach in policy intervention.** Policy intervention is driven by demand. Our partners’ priorities are our priorities. Local management plans are ready for implementation and some policy and legal issues need to be resolved for implementation to move forward.
- 2) **Use field-based experience as basis for policy advocacy at the national level, providing inputs to legislative initiatives.** No policy will be developed in a vacuum. Recommendations for amendments to existing laws and regulations will critique what has not worked in practice, and alternative proposals will be anchored on what works on the ground based on experience in the project sites.
- 3) **Link with relevant partners in the delivering services to LGUs.** In the delivery of legal assistance, EcoGov will work with relevant personnel and offices in partner agencies (e.g., National Law Enforcement Council, legal offices of the partner agencies). The Project will also tap civil society networks and individual non-government organizations (Institutes of Environmental Governance, Environmental Defense network)

which are already providing the service. EcoGov's role will be to promote consensus on strategies and approaches, so that the delivery of service is efficient, standardized and effective. The EcoGov 2 Project will also explore partnership and collaborative efforts with international organizations such as World Resources Institute (WRI) in responding to GRP's and civil society's commitment for improving environmental governance in the Philippines as part of Principle 10's (P10) initiatives.

- 4) **Look for practical solutions to speed up plan implementation.** Project outputs and milestones, in general, will be based on what is the most expedient solution to enable implementation of the management plans. The larger policy implication of site-specific solutions will drive development of laws, regulations, and policy issuances that have broader scope or wider geographic application.

## 4.0 Project Implementation

The Development Alternatives, Inc. (DAI) contract with USAID governs the type of support that will be provided to support the achievement of EcoGov 2 objectives. This contract, in turn, is governed by the MOU between the United States of America and the Republic of the Philippines for the Protection of Productive and Life-Sustaining Natural Resources that was signed in early 2002. Under the terms of the contract and the MOU, DAI shall report to the USAID Cognizant Technical Officer (CTO) for administrative and technical directions and guidance. Project implementation will be coordinated with the DENR, DILG, NEDA, LGUs, people's organizations, leagues, training and academic institutions, trade/professional associations, private sector groups and others. To manage and coordinate the implementation of EcoGov 2 activities, DAI has established its main project office in Metro Manila, and field offices in Cotabato City and Zamboanga City, Cebu City, and Solano, Nueva Vizcaya. EcoGov 2 will use the following mechanisms to insure effective implementation and coordination of project activities:

- USAID and NEDA have formed a Consultative Panel to oversee project implementation. The Panel is chaired by NEDA and USAID with other members coming from the DENR, DILG, DA, DOJ, NCIP, the leagues, NGO partners and the private sector. This Panel will meet once a year to review the EcoGov 2 work plan, ensure that the project's strategies and activities reflect the country's priority development needs, and discuss implementation progress, issues, constraints and opportunities covering the planning horizon. This Panel will provide policy-level advice and guidance, and facilitate cooperation, synergy, and collaboration among partners.
- A multi-sectoral and multi-agency Inter-Agency Executive Committee (EC) has been formed to support the Consultative Panel. The EC is composed of representatives from the DENR, USAID, NEDA, DILG, the leagues, NGOs, and other national agencies, and serves as the forum for coordinating, monitoring and evaluating project activities. The EC members serve as the EcoGov 2 team's immediate partners in preparing, reviewing, and integrating project work plans. This committee shall meet at least twice a year to review annual work plans and implementation progress.

- As the main GRP counterpart, the DENR will host the Program Management Office (PMO) that will help coordinate project implementation, monitoring, and evaluation. The PMO will: (1) coordinate project activities with DENR bureaus, regional offices, and other concerned offices; (2) identify and facilitate access by EcoGov 2 staff to key DENR counterparts; (3) facilitate the review and issuance of DENR administrative policies to improve environmental governance; (4) work with EcoGov 2 staff in the design and conduct of training programs to strengthen the capacity of DENR, the leagues, and other EcoGov 2 partners; and (5) coordinate the bi-annual EC meetings.
- At the regional level, DAI's field offices will coordinate activity implementation with the respective regional and field offices of the DENR, DILG, BFAR, NGOs, and other local networks to facilitate implementation of work plans. Representatives from the national government counterparts' field offices will be invited to participate in the EcoGov 2 Project bi-annual assessment to provide feedback on project efforts in their area.
- Project assistance and support to LGUs will be based on specific agreements between the DENR, EcoGov 2 Regional Coordinators, and the concerned SB and MDC of LGUs. The memorandum of agreements (MOA) will trigger the delivery of technical assistance to the LGUs, DENR and other partners in any of the technical or cross sector.

## 5.0 Reporting and Evaluation

### 5.1 *Project Reporting*

The EcoGov 2 team will prepare and submit to USAID, the DENR and other counterparts the following four reports:

- **Annual Work Plans** that cover a 15-month period and show expected progress toward program and contract objectives and achievement of the project results, and outline: (a) the performance objectives or benchmarks for the period; (b) the expected activities to be undertaken to reach annual objectives; (c) how the annual objectives and activities contribute toward achieving contract objectives; (d) expected completion date of the activities; and, (f) critical assumptions or support needed from USAID, DENR, DA-BFAR and other activity partners to accomplish the work.
- **Quarterly Performance Reports** that: (a) summarize performance objectives/expected outputs for the quarter; (b) summarize the major accomplishments during the quarter as well as unplanned outcomes and activities during the quarter; (c) discuss outstanding issues and implementation problems and options for resolving these issues and problems; (d) provide status toward achieving sustainability of efforts; (e) contain planned performance objectives for the next quarter.
- **Annual Reports** that provide an assessment towards achieving the annual objectives set forth in the Annual Work plans. And
- **Contract Completion Report** that describes: (a) specific objectives of the contract; (b) activities undertaken to achieve contract objectives and the results achieved; (c) cost of efforts; and, (d) actions taken to ensure the continuation and sustainability of program objectives or recommendations regarding unfinished work and/or program continuation.

In addition to these reports required by the contract, the team also will publish and distribute policy, technical and other analyses reports that are used to guide activity design and implementation.

## **5.2    *Evaluations***

There will be at least two evaluations of the EcoGov 2 project. DAI and its partners will conduct an evaluation at the end of the second year. This evaluation will coincide with the end of the first phase of the project, and enable the team to analyze successes and failures as it develops plans for expanding project activities. We also understand that USAID and GRP counterparts will conduct an evaluation of the project in year four to measure implementation progress and effectiveness of project activities against project objectives.





# *Annexes*



**ANNEX 1.**  
**EcoGov 2 PROJECT COMPONENTS AND MTPDP THRUSTS**

| <b>EcoGov 2 Components</b>                    | <b>Thrust 1 – Productive Use of Natural Resources</b> | <b>Thrust 2 – Mining*</b> | <b>Thrust 3 – Biodiversity/ Watershed</b> | <b>Thrust 4 – Healthy Environment</b> | <b>Thrust 5 – Mitigate Natural Disaster</b> |
|---|---|---------------------------|---|---------------------------------------|---|
| Forests and forest lands management (FFM)     | ✓   | <b>I</b>                  | ✓   | ✓                                     | ✓   |
| Coastal resources management (CRM)            | ✓   |                           | ✓   |                                       |   |
| Urban environmental management (UEM)          |   | <b>I</b>                  |   | ✓                                     | ✓   |
| LGU Revenues and Access to Financing          | ✓   |                           | ✓   | ✓                                     |   |
| Policy Support                                | ✓   | <b>I</b>                  | ✓   | ✓                                     |   |
| Governance, Advocacy, and Capability Building | ✓   | <b>I</b>                  | ✓   | ✓                                     |   |

\* To a certain extent, EcoGov 2 will help promote responsible mining through its activities in the uplands and on waste water.



**ANNEX 2.**  
**MAJOR FINAL OUTPUTS (MFOs) OF DENR, DILG, AND DA/BFAR**  
**THAT ARE SUPPORTED BY ECOGOV 2 PROJECT**

| <b>MFOs</b>  | <b>FFM</b>          | <b>CRM</b>     | <b>UEM</b>                    | <b>Governance,<br/>Advocacy and<br/>Capacity<br/>Building</b> | <b>Policy<br/>Support</b> | <b>LGU<br/>Revenues<br/>and Access to<br/>Financing</b> |
|--|---------------------|----------------|-------------------------------|---|---------------------------|---|
| <b>DENR MFOs</b>   |                     |                |                               |   |                           |   |
| <b>MFO 1</b> – Required ENR policies, plans, information, and pertinent advocacy services initiated, generated and coordinated   | <b>OVI 1.2, 1.6</b> | <b>OVI 1.2</b> | <b>OVI 1.2</b>                | <b>OVI 1.2, 1.4</b>   | <b>OVI 1.2, 1.3</b>       | <b>OVI 1.2</b>  |
| <b>MFO 2</b> – Ecosystems protected, enhanced and degraded ones rehabilitated  | <b>OVI 2.2</b>      |                |                               |   | <b>OVI 2.2</b>            |   |
| <b>MFO 3</b> – Resource use and access and access managed (regulated) within the framework of sustainable development and equity considerations  | <b>OVI 3.1</b>      | <b>OVI 3.1</b> |                               |   |                           |   |
| <b>MFO 4</b> – ENR laws, policies and regulations strictly enforced and compliance regularly monitored in coordination with pertinent law enforcement authorities and development agencies | <b>OVI 4.1</b>      | <b>OVI 4.1</b> | <b>OVI 4.1, 4.3, 4.6, 4.8</b> | <b>OVI 4.1</b>  |                           |   |
| <b>MFO 5</b> – Environment-friendly resource production and utilization technologies adopted, developed and technical assistance provided  | <b>OVI 5.1</b>      | <b>OVI 5.1</b> | <b>OVI 5.1</b>                | <b>OVI 5.2</b>  | <b>OVI 5.1</b>            | <b>OVI 5.1 and 5.2</b>                                  |
| <b>DILG MFO</b> – Capacitation and supervision of LGUs especially in formulating, promulgating, and implementing policies and programs and improving delivery of services                  | ✓                   | ✓              | ✓                             | ✓   | ✓                         | ✓   |
| <b>DA/BFAR MFO</b> – Increased fishery support services for improving productivity and income, and extension support, education and training   | ✓                   | ✓              | ✓                             | ✓   | ✓                         | ✓   |



### Annex 3A. Indicative Timetable for Technical Assistance to Current Partners LGUs: FFM Sector

| Region/ Province  | Municipality/ City | MOA Signed (Date)   | Sector        | Hectares of Natural Forests | Status as of End of Nov 2004  | Year 1   | Year 2                          | Year 3 | Year 4                    | Year 5                    |
|-------------------|--------------------|---------------------|---------------|-----------------------------|---|--|---------------------------------|--------|---------------------------|---------------------------|
| All Regions       |                    |                     |               | 276,932                     |   |  |                                 |        |                           |                           |
| Western Mindanao  |                    |                     |               | 7,651                       |   |  |                                 |        |                           |                           |
| ARMM              |                    |                     |               |                             |   |  |                                 |        |                           |                           |
| Basilan           | 1. Lamitan         | 11/19/02            | CRM, FFM, SWM | 560                         | FLUP legitimized; LGU-DENR MOA signed.  | FLUP implementation activities   |                                 |        | Monitoring and Evaluation |                           |
|                   | Sumisip            | 11/19/02            | CRM, FFM      |                             | Phase 1 TA suspended in 2003 due to orgnization and staffing issue. Resumption of TA in EcoGov 2 will be explored with the LGU. | Discussion with LGUs on possible resumption of TA                            |                                 |        |                           |                           |
|                   | Tipo-tipo          | 11/19/02            | CRM, FFM      |                             |   |  |                                 |        |                           |                           |
| Region 9          |                    |                     |               |                             |   |  |                                 |        |                           |                           |
| Basilan           | 2. Isabela City    | 11/19/02            | CRM, FFM, SWM | 4,922                       | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.   | FLUP implementation and co-management planning and implementation activities |                                 |        | Monitoring and Evaluation |                           |
|                   | 3. Zamboanga City  | 02/26/04            | FFM           | 2,169                       | Ongoing discussions on proposed co-management between DENR and LGU.   | Co-mgt agreement signing, mgt planning                                       | Co-mgt agreement implementation |        | Monitoring and Evaluation |                           |
| Southern Mindanao |                    |                     |               | 79,269                      |   |  |                                 |        |                           |                           |
| ARMM              |                    |                     |               |                             |   |  |                                 |        |                           |                           |
| Lanao del Sur     | 4. Wao             | 7/31/2002; 10/23/03 | FFM; SWM      | 12,529                      | FLUP legitimized, DENR-LGU MOA signed.  | FLUP implementation activities   |                                 |        | Monitoring and Evaluation |                           |
| Region 12         |                    |                     |               |                             |   |  |                                 |        |                           |                           |
| Sultan Kudarat    | 5. Kalamansig      | 10/1/02; 9/25/03    | FFM; CRM      | 10,809                      | FLUP legitimized; DENR-LGU MOA and co-management agreement signed.  | FLUP implementation and co-management planning and implementation activities |                                 |        | Monitoring and Evaluation |                           |
|                   | 6. Lebak           | 10/01/02            | FFM; CRM      | 6,927                       | FLUP legitimized; DENR-LGU MOA and co-management agreement signed.  | FLUP implementation and co-management planning and implementation activities |                                 |        | Monitoring and Evaluation |                           |
| North Cotabato    | 7. Kidapawan City  | 09/26/02; 10/3/2003 | SWM; FFM      | 4,271                       | FLUP for legitimization   | FLUP legitimization and implementation activities                            |                                 |        | Monitoring and Evaluation |                           |
|                   | 8. Makilala        | 10/02/03            | FFM           | 4,267                       | FLUP for legitimization   | FLUP legitimization and implementation activities                            |                                 |        | Monitoring and Evaluation |                           |
| Sarangani         | 9. Maitum          | 08/28/03            | FFM           | 16,804                      | FLUP legitimized; DENR-LGU MOA signed.  | FLUP implementation activities   |                                 |        | Monitoring and Evaluation |                           |
|                   | 10. Maasim         | 11/14/03            | FFM           | 4,433                       | FLUP legitimized; DENR-LGU MOA signed   | FLUP implementation activities   |                                 |        | Monitoring and Evaluation |                           |
|                   | 11. Kiamba         | 11/29/03            | FFM           | 19,229                      | Phase 1 TA suspended after elections. TA will be resumed in EcoGov 2.   | Completion and legitimization of FLUP  | FLUP implementation activities  |        |                           | Monitoring and Evaluation |

### Annex 3A. Indicative Timetable for Technical Assistance to Current Partners LGUs: FFM Sector

| Region/ Province                  | Municipality/ City | MOA Signed (Date) | Sector        | Hectares of Natural Forests | Status as of End of Nov 2004   | Year 1   | Year 2                         | Year 3 | Year 4                    | Year 5                    |
|-----------------------------------|--------------------|-------------------|---------------|-----------------------------|--|--|--------------------------------|--------|---------------------------|---------------------------|
| <b>Central Visayas - Region 7</b> |                    |                   |               | <b>16,812</b>               |  |  |                                |        |                           |                           |
| Bohol                             | 12. Talibon        | 12/04/02          | CRM, FFM, SWM | 568                         | FLUP legitimized, co-management agreement signed.                      | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 13. San Miguel     | 12/04/02          | FFM           | 60                          | FLUP legitimized.  | FLUP implementation activities   |                                |        | Monitoring and Evaluation |                           |
| Cebu                              | 14. Toledo City    | 04/30/03          | CRM; FFM; SWM | 2,169                       | FLUP legitimized; LGU-DENR MOA signed; co-management agreement signed. | FLUP implementation activities   |                                |        | Monitoring and Evaluation |                           |
| Negros Oriental                   | 15. Sta Catalina   | 03/20/03          | FFM; SWM      | 3,679                       | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 16. Bayawan City   | 03/20/03          | FFM; SWM      | 474                         | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 17. Dauin          | 03/20/03          | FFM; SWM      | 2,846                       | FLUP legitimized.  | FLUP implementation activities   |                                |        | Monitoring and Evaluation |                           |
|                                   | 18. Bais City      | 03/20/03          | FFM; SWM      | 4,271                       | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 19. Tanjay         | 03/20/03          | FFM; SWM      | 1,230                       | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 20. La Libertad    | 03/20/03          | FFM           | 123                         | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 21. Alcoy          | 04/10/03          | FFM           | 844                         | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
|                                   | 22. Dalaguete      | 04/10/03          | FFM           | 548                         | FLUP legitimized; DENR-LGU MOA and co-mgt agreement signed.            | FLUP implementation and co-management planning and implementation activities |                                |        | Monitoring and Evaluation |                           |
| <b>Northern Luzon</b>             |                    |                   |               | <b>173,200</b>              |  |  |                                |        |                           |                           |
| Nueva Vizcaya                     | 23. Dupax del Sur  | 08/25/03          | FFM           | 3,679                       | FLUP being drafted.  | Completion and legitimization of FLUP  | FLUP implementation activities |        |                           | Monitoring and Evaluation |
|                                   | 24. Quezon         | 05/30/03          | FFM; SWM      | 7,518                       | FLUP for legitimization.   | FLUP legitimization and implementation                                       |                                |        | Monitoring and Evaluation |                           |
| Quirino                           | 25. Cabarroguis    | 04/29/03          | FFM; SWM      | 6,831                       | Thematic mapping completed.  | Completion and legitimization of   | FLUP implementation activities |        |                           | Monitoring and Evaluation |
|                                   | 26. Diffun         | 04/29/03          | FFM; SWM      | 2,846                       | FLUP for legitimization.   | FLUP legitimization and  |                                |        | Monitoring and Evaluation |                           |
|                                   | 27. Aglipay        | 04/29/03          | FFM           | 123                         | FLUP for legitimization.   | FLUP legitimization and  |                                |        | Monitoring and Evaluation |                           |



### Annex 3A. Indicative Timetable for Technical Assistance to Current Partners LGUs: FFM Sector

| Region/ Province     | Municipality/ City  | MOA Signed (Date) | Sector   | Hectares of Natural Forests | Status as of End of Nov 2004  | Year 1   | Year 2 | Year 3 | Year 4                    | Year 5 |
|----------------------|---------------------|-------------------|----------|-----------------------------|---|--|--------|--------|---------------------------|--------|
|                      | 28. Maddela         | 04/29/03          | FFM; SWM | 44,163                      | FLUP legitimized; DENR-LGU MOA signed   | FLUP implementation activities                   |        |        | Monitoring and Evaluation |        |
|                      | 29. Nagtipunan      | 04/29/03          | FFM      | 103,848                     | FLUP legitimized; DENR-LGU MOA signed   | FLUP implementation activities                   |        |        | Monitoring and Evaluation |        |
|                      | Province of Quirino | 04/29/03          | FFF; SWM |                             |   |  |        |        |                           |        |
| <b>Central Luzon</b> |                     |                   |          |                             |   |  |        |        |                           |        |
|                      | 30. Baler           | 07/22/03          | CRM; FFM | 4,192                       | FLUP for legitimization.  | FLUP legitimization and implementation           |        |        | Monitoring and Evaluation |        |
|                      | Maria Aurora        | 7/22/03           | FFM; SWM |                             | <i>Phase 1 TA limited to GIS training so LGU can build on spatial database from various projects. TA in EcoGov 2 will be explored with the LGU.</i> | Discussion with LGU on possible resumption of TA |        |        |                           |        |



**Annex 3B. Indicative Timetable for Technical Assistance to Current Partner LGUs: CRM Sector**

| Region/ Province        | Municipality/ City | MOA Signed (Date)              | Sector                                 | Number of MPAs (New and Existing) | Hectares of coastal area | Status as of End of Nov 2004  | Year 1  | Year 2                           | Year 3                                  | Year 4                  | Year 5                  |
|-------------------------|--------------------|--------------------------------|--|-----------------------------------|--------------------------|---|---|----------------------------------|---|-------------------------|-------------------------|
| <b>All Regions</b>      |                    |                                |  | <b>25</b>                         | <b>154,765</b>           |   |   |                                  |   |                         |                         |
| <b>Western Mindanao</b> |                    |                                |  | <b>16</b>                         | <b>61,725</b>            |   |   |                                  |   |                         |                         |
| <b>ARMM</b>             |                    |                                |  |                                   |                          |   |   |                                  |   |                         |                         |
| Basilan                 | 1. Lamitan         | 11/19/02                       | CRM, FFM, SWM                          | 1                                 | 1,591                    | Phase 1 TA suspended in 2004 due to EcoGov budget constraint and limited LGU absorptive capacity. TA will be provided in EcoGov 2.  | MPA planning and initial implementation   | CRM planning; MPA implementation | CRM plan implementation; MPA networking |                         | Monitoring & Evaluation |
|                         | Sumisip            | 11/19/02                       | CRM, FFM                               |                                   |                          | Phase 1 TA suspended in 2003 due to orgnization and staffing issue. Resumption of TA in EcoGov 2 will be explored with the LGU.   | Discussion with LGUs on possible resumption of TA   |                                  |   |                         |                         |
|                         | Tipo-tipo          | 11/19/02                       | CRM, FFM                               |                                   |                          | Phase 1 TA suspended in 2003 due to orgnization and staffing issue. Resumption of TA in   |   |                                  |   |                         |                         |
| <b>Region 9</b>         |                    |                                |  |                                   |                          |   |   |                                  |   |                         |                         |
| Basilan                 | 2. Isabela City    | 11/19/02                       | CRM, FFM, SWM                          | 1                                 | 903                      | Phase 1 TA suspended in 2004 due to EcoGov budget constraint and limited LGU absorptive capacity. TA will be provided in EcoGov 2.  | MPA planning and initial implementation   | CRM planning; MPA implementation | CRM plan implementation; MPA networking |                         | Monitoring & Evaluation |
| Zambo del Sur           | 3. Dimataling      | (covered by MOA with Province) | CRM                                    | 1                                 | 4,742                    | Inter-LGU (IBRA 9) fisheries mgt plan approved. Municipal water delineation ordinances issued.  | Implementation of CRM, fisheries management, and MPA plans; alliance strengthening, establishment of new MPAs and MPA networking ( up to year 4); formulation of CRM plan and implemenation in Labangan |                                  |   | Monitoring & Evaluation |                         |
|                         | 4. Dinas           | 10/10/02                       | CRM                                    | 1                                 | 6,333                    | Inter-LGU (IBRA 9) fisheries mgt plan approved; CRM plan legitimized. Municipal water delineation ordinances issued.  |   |                                  |   | Monitoring & Evaluation |                         |
|                         | 5. Labangan        | 10/10/02                       | CRM                                    | 1                                 | 1,818                    | Inter-LGU (IBRA 9) fisheries mgt plan approved.   |   |                                  |   | Monitoring & Evaluation |                         |
|                         | 6. Pagadian City   | 07/23/03                       | SWM (CRM covered by MOA wirh Province) | 1                                 | 3,984                    | Inter-LGU (IBRA 9) fisheries mgt plan approved.   |   |                                  |   | Monitoring & Evaluation |                         |
|                         | 7. San Pablo       | 10/10/02                       | CRM                                    | 1                                 | 8,141                    | Inter-LGU (IBRA 9) fisheries mgt plan approved. Municipal water delineation ordinances issued.  |   |                                  |   | Monitoring & Evaluation |                         |
|                         | 8. Tabina          | 10/10/02                       | CRM                                    | 2                                 | 15,138                   | Inter-LGU (IBRA 9) and municipal fisheries mgt plan approved; CRM plan legitimized; management plans of 2 marine sanctuaries approved. Municipal water delineation ordinances issued. |   |                                  |   | Monitoring & Evaluation |                         |

**Annex 3B. Indicative Timetable for Technical Assistance to Current Partner LGUs: CRM Sector**

| Region/ Province           | Municipality/ City            | MOA Signed (Date)              | Sector        | Number of MPAs (New and Existing) | Hectares of coastal area | Status as of End of Nov 2004   | Year 1   | Year 2   | Year 3  | Year 4                  | Year 5                  |  |
|----------------------------|-------------------------------|--------------------------------|---------------|-----------------------------------|--------------------------|--|--|--|---|-------------------------|-------------------------|--|
|                            | 9. Tukuran                    | 10/10/02                       | CRM           | 2                                 | 1,594                    | Inter-LGU (IBRA 9) and municipal fisheries mgt plan approved; CRM plan legitimized; management plans of 2 marine sanctuaries approved. |  |  |   | Monitoring & Evaluation |                         |  |
|                            | 10. Dumalinao                 | (covered by MOA with Province) | CRM           | 1                                 | 5,001                    | Inter-LGU (IBRA 9) fisheries mgt plan approved.  |  |  |   | Monitoring & Evaluation |                         |  |
|                            | Province of Zamboanga del Sur | 10/10/02                       | CRM           |                                   |                          |  |  |  |   |                         |                         |  |
| Zambo Sibugay              | 11. Tungawan                  | 11/06/02                       | CRM           | 1                                 | 12,480                   | CRM plan, municipal fisheries management plan and 1 MPA plan approved.   | Implementation of CRM, fisheries management and MPA plans; MPA networking and alliance building(Sibugay Bay) |  | inter-LGU fisheries enforcement plan and implementation           |                         |                         |  |
|                            | 12. R.T. Lim                  | 11/06/02                       | CRM           | 1                                 |                          | 1 MPA plan approved.   | MPA plan implementation  | MPA networking and alliance building (Sibugay Bay) |   |                         |                         |  |
|                            | 13. Naga                      | 11/06/02                       | CRM           | 1                                 |                          | 1 MPA plan approved.   |  |  |   |                         |                         |  |
|                            | 14. Payao                     | 12/02/02                       | CRM           | 1                                 |                          | 1 MPA plan approved.   |  |  |   |                         |                         |  |
| Southern Mindanao          |                               |                                |               | 0                                 | 16,491                   |  |  |  |   |                         |                         |  |
| ARMM                       |                               |                                |               |                                   |                          |  |  |  |   |                         |                         |  |
| Region 12                  |                               |                                |               |                                   |                          |  |  |  |   |                         |                         |  |
| Sultan Kudarat             | 15. Kalamansig                | 10/1/02; 9/25/03               | FFM; CRM      |                                   | 10,793                   | Municipal fisheries management plan  | Implementation of fisheries management plan  |  | Monitoring & Evaluation   |                         |                         |  |
|                            | 16. Lebak                     | 10/01/02                       | FFM; CRM      |                                   | 5,698                    | Municipal fisheries management plan  | Implementation of fisheries management plan  |  | Monitoring & Evaluation   |                         |                         |  |
| Central Visayas - Region 7 |                               |                                |               | 6                                 | 20,533                   |  |  |  |   |                         |                         |  |
| Bohol                      | 17. Talibon                   | 12/04/02                       | CRM, FFM, SWM | 2                                 |                          | 2 MPA plans legitimized. Further TA will be turned over to FISH. Municipal water delineation ordinances issued.                        |  |  |   |                         |                         |  |
| Cebu                       | 18. Poro                      | 04/11/03                       | CRM           | 1                                 | 5,560                    | CRM and MPA plans legitimized. Municipal water delineation ordinances issued.  | Implementation of CRM and MPA plans  |  | MPA networking and inter-LGU fisheries enforcement implementation |                         | Monitoring & Evaluation |  |
|                            | 19. San Francisco             | 04/11/03                       | CRM           | 1                                 | 1,573                    | Fisheries management plan legitimized; MPA plan and ordinance approved   | Implementation of fisheries management and MPA plans.  |  |   |                         | Monitoring & Evaluation |  |
|                            | 20. Tudela                    | 04/11/03                       | CRM           | 2                                 | 8,660                    | CRM and 2 MPA plans legitimized. Municipal water delineation ordinances issued.  | Implementation of fisheries management and MPA plans.  |  |   |                         | Monitoring & Evaluation |  |

**Annex 3B. Indicative Timetable for Technical Assistance to Current Partner LGUs: CRM Sector**

| Region/ Province     | Municipality/ City | MOA Signed (Date) | Sector        | Number of MPAs (New and Existing) | Hectares of coastal area | Status as of End of Nov 2004  | Year 1  | Year 2   | Year 3                  | Year 4 | Year 5 |
|----------------------|--------------------|-------------------|---------------|-----------------------------------|--------------------------|---|---|--|-------------------------|--------|--------|
|                      | Toledo City        | 04/30/03          | CRM; FFM; SWM |                                   | -                        | <i>Phase 1 TA suspended after elections due to organization and staffing issues. Resumption of TA in EcoGov 2 will be explored with the LGU. Municipal water delineation ordinances issued.</i>       | Discussion with LGUs on possible resumption of TA   |  |                         |        |        |
|                      | 21. Balamban       | 04/30/03          | CRM           |                                   | 3,100                    | Coastal zoning completed.   | CRM planning  | Implementation of CRM plan, piloting of foreshore management protocols | Monitoring & Evaluation |        |        |
|                      | 22. Danao City     | 03/17/03          | CRM; SWM      |                                   | 1,640                    | Fisheries management plan legitimized.  | Implementation of fisheries management plan.  |  | Monitoring & Evaluation |        |        |
|                      | Compostela         | 03/17/03          | CRM; SWM      |                                   | -                        | <i>TA suspended in Phase 1 due to resource constraints and change in local leadership. Resumption of TA in EcoGov 2 will be explored with the LGU. Municipal water delineation ordinances issued.</i> | Discussion with LGUs on possible resumption of TA   |  |                         |        |        |
| <b>Central Luzon</b> |                    |                   |               | <b>3</b>                          | <b>56,016</b>            |   |   |  |                         |        |        |
| Aurora               | 23. Dinalungan     | 07/11/03          | CRM           | 2                                 | 6,630                    | CRM. inter-LGU fisheries management, and 2 MPA plans approved.  | Implementa-tion of inter-LGU fisheries management plan, Dinalungan CRM and MPA plans, inter-LGU alliance building | MPA networking   | Monitoring & Evaluation |        |        |
|                      | 24. Baler          | 07/22/03          | CRM; FFM      |                                   | 12,960                   | Inter-LGU fisheries mgt plan legitimized.   |   |  | Monitoring & Evaluation |        |        |
|                      | 25. San Luis       | 07/29/03          | CRM           |                                   | 20,353                   | Inter-LGU fisheries mgt plan legitimized.   |   |  | Monitoring & Evaluation |        |        |
|                      | 26. Dipaculao      | 07/22/03          | CRM           | 1                                 | 16,073                   | Inter-LGU fisheries mgt plan legitimized.   |   |  | Monitoring & Evaluation |        |        |



### Annex 3C. Indicative Timetable for Technical Assistance to Current Partner LGUs: UEM Sector

| Region/ Province  | Municipality/ City | MOA Signed (Date)   | Sector        | Status as of End of Nov 2004   | Year 1   | Year 2                   | Year 3                 | Year 4  | Year 5 |
|-------------------|--------------------|---------------------|---------------|--|--|--------------------------|------------------------|---|--------|
| Western Mindanao  |                    |                     |               |  |  |                          |                        |   |        |
| ARMM              |                    |                     |               |  |  |                          |                        |   |        |
| Basilan           | 1. Lamitan         | 11/19/02            | CRM, FFM, SWM | ISWM plan legitimized.   | ISWM plan implementation   |                          | Documentation, M and E |   |        |
| Region 9          |                    |                     |               |  |  |                          |                        |   |        |
| Basilan           | 2. Isabela City    | 11/19/02            | CRM, FFM, SWM | ISWM plan legitimized.   | ISWM plan implementation; TA on wastewater management and financing.                     |                          |                        | Follow-on TA on WWM and financing; documentation M and E  |        |
|                   | 3. Pagadian City   | 07/23/03            | SWM           | ISWM plan for legitimization.  | ISWM plan legitimization and implementation; TA on wastewater management and financing). |                          |                        | Follow-on TA on WWM and financing; documentation, M and E |        |
|                   | 4. Ipil            | 03/19/03            | SWM           | ISWM plan for legitimization.  | ISWM plan legitimization and implementation  |                          | Documentation, M and E |   |        |
|                   | 5. Buug            | 03/18/03            | SWM           | ISWM plan legitimized  | ISWM plan implementation   |                          | Documentation, M and E |   |        |
| Southern Mindanao |                    |                     |               |  |  |                          |                        |   |        |
| ARMM              |                    |                     |               |  |  |                          |                        |   |        |
| Lanao del Sur     | 6. Wao             | 7/31/2002; 10/23/03 | FFM; SWM      | SWM assessment completed.  | ISWM plan completion & legitimization.   | ISWM plan implementation |                        | Documentation, M and E                                    |        |
| Maguindanao       | 7. Sultan Kudarat  | 09/05/02            | SWM           | SWM assessment completed.  | ISWM plan completion & legitimization.   | ISWM plan implementation |                        | Documentation, M and E                                    |        |
|                   | 8. Parang          | 12/08/03            | SWM           | Phase 1 TA put on hold after local elections due to political instability. TA to be resumed in EcoGov 2. | ISWM planning and legitimization.  | ISWM plan implementation |                        | Documentation, M and E                                    |        |
| Region 12         |                    |                     |               |  |  |                          |                        |   |        |
|                   | 9. Tacurong        | 10/14/02            | SWM           | ISWM plan legitimized; implementation ongoing.   | ISWM plan implementation; TA on wastewater management and financing.                     |                          |                        | Follow-on TA on WWM and financing; M and E                |        |
|                   | 10. Isulan         | 11/08/02            | SWM           | ISWM plan legitimized.   | ISWM plan implementation   |                          | Documentation, M and E |   |        |
|                   | 11. Lebak          | 10/01/02            | FFM; CRM      | SWM assessment   | ISWM plan  | ISWM plan implementation |                        | Documentation, M and E                                    |        |
|                   | 12. Kalamansig     | 10/1/02;            | FFM; CRM      | SWM assessment   | ISWM plan  | ISWM plan implementation |                        | Documentation, M and E                                    |        |
| North Cotabato    | 13. Kidapawan City | 09/26/02; 10/3/2003 | SWM; FFM      | ISWM plan legitimized.   | ISWM plan implementation; TA on wastewater management and financing.                     |                          |                        | Follow-on TA on WWM and financing; M and E                |        |
| S. Cotabato       | 14. Koronadal City | 12/04/02            | SWM           | ISWM plan legitimized.   | ISWM plan implementation; TA on wastewater management and financing.                     |                          |                        | Follow-on TA on WWM and financing; M and E                |        |

### Annex 3C. Indicative Timetable for Technical Assistance to Current Partner LGUs: UEM Sector

| Region/ Province           | Municipality/ City  | MOA Signed (Date) | Sector        | Status as of End of Nov 2004  | Year 1   | Year 2   | Year 3                                     | Year 4                                     | Year 5 |
|----------------------------|---------------------|-------------------|---------------|---|--|--|--|--|--------|
| Central Visayas - Region 7 |                     |                   |               |   |  |  |  |  |        |
| Bohol                      | 15. Tagbilaran City | 04/04/03          | SWM           | ISWM plan egitimized.   | ISWM plan implementation; TA on wastewater management and financing. |  | Follow-on TA on WWM and financing; M and E |  |        |
|                            | 16. Dauis           | 04/04/03          | SWM           | ISWM plan being drafted.  | ISWM plan implementation   |  | Documentation, M and E                     |  |        |
|                            | 17. Alburquerque    | 04/04/03          | SWM           | ISWM plan legitimized.  | ISWM plan implementation; TA on financing and common facility dev't  |  | Follow-on TA on WWM and financing; M and E |  |        |
|                            | 18. Corella         | 04/04/03          | SWM           | ISWM plan being drafted.  | ISWM plan implementation   |  | Documentation, M and E                     |  |        |
|                            | 19. Maribojoc       | 04/04/03          | SWM           | ISWM plan being drafted.  | ISWM plan implementation   |  | Documentation, M and E                     |  |        |
|                            | 20. Cortes          | 04/04/03          | SWM           | ISWM plan being drafted.  | ISWM plan implementation   |  | Documentation, M and E                     |  |        |
|                            | 21. Panglao         | 04/04/03          | SWM           | Phase 1 TA not pursued after local elections due to changes in direction of new set of LGU officials. TA will be resumed in EcoGov 2. | ISWM plan completion and legitimization.                             | ISWM plan implementation   |  | Documentation, M and E                     |        |
|                            | 22. Jagna           | 09/30/02          | SWM           | ISWM plan legitimized.  | ISWM plan implementation   |  | Documentation, M and E                     |  |        |
|                            | 23. Talibon         | 12/04/02          | CRM, FFM, SWM | Drafting of ISWM plan ongoing.  | ISWM plan completion, legitimization and implementation              |  | Documentation, M and E                     |  |        |
|                            | 24. Duero           | 09/30/02          | SWM           | Drafting of plan ongoing.   | ISWM plan completion, legitimization and implementation              |  | Documentation, M and E                     |  |        |
|                            | Province of Bohol   | 12/03/02          |               |   |  |  |  |  |        |
| Cebu                       | 25. Toledo City     | 04/30/03          | CRM; FFM; SWM | Phase 1 TA suspended after elections due to organization and staffing issues. Resumption of TA in EcoGov 2 will be explored with LGU. | ISWM plan completion and legitimization.                             | ISWM plan implementation; TA on wastewater management and financing. |  | Follow-on TA on WWM and financing; M and E |        |
|                            | 26. Danao City      | 03/17/03          | CRM; SWM      | ISWM legitimized.   | ISWM plan implementation; TA on wastewater management and financing. |  | Follow-on TA on WWM and financing; M and E |  |        |
|                            | 27. Compostela      | 03/17/03          | CRM; SWM      | Plan preparation ongoing.   | ISWM plan completion, legitimization and implementation              |  | Documentation, M and E                     |  |        |



### Annex 3C. Indicative Timetable for Technical Assistance to Current Partner LGUs: UEM Sector

| Region/ Province | Municipality/ City        | MOA Signed (Date) | Sector   | Status as of End of Nov 2004 | Year 1  | Year 2 | Year 3                 | Year 4                                     | Year 5 |
|------------------|---------------------------|-------------------|----------|------------------------------|---|--------|------------------------|--|--------|
| Negros Oriental  | 28. Sta Catalina          | 03/20/03          | FFM; SWM | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 29. Bayawan City          | 03/20/03          | FFM; SWM | ISWM plan legitimized.       | ISWM plan implementation; TA on wastewater management and financing.                    |        |                        | Follow-on TA on WWM and financing; M and E |        |
|                  | 30. Dauin                 | 03/20/03          | FFM; SWM | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 31. Bais City             | 03/20/03          | FFM; SWM | ISWM plan for legitimization | ISWM plan legitimization and implementation; TA on wastewater management and financing. |        |                        | Follow-on TA on WWM and financing; M and E |        |
|                  | 32. Tanjay City           | 03/20/03          | FFM; SWM | ISWM plan legitimized.       | ISWM plan implementation; TA on wastewater management and financing.                    |        |                        | Follow-on TA on WWM and financing; M and E |        |
|                  | 33. Amlan                 | 03/20/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 34. San Jose              | 03/20/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 35. Pamplona              | 03/20/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
| Northern Luzon   |                           |                   |          |                              |   |        |                        |  |        |
|                  | 36. Quezon                | 05/30/03          | FFM; SWM | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 37. Bayombong             | 07/07/03          | SWM      | ISWM plan legitimized.       | ISWM plan implementation  |        | Documentation, M and E |  |        |
|                  | 38. Bambang*              | 07/07/03          | SWM      | ISWM plan legitimized.       | ISWM plan implementation  |        | Documentation, M and E |  |        |
|                  | 39. Dupax del Norte       | 06/02/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 40. Bagabag               | 05/30/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | 41. Solano                | 07/07/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation                                 |        |                        | Documentation, M and E                     |        |
|                  | Province of Nueva Vizcaya | 07/07/03          | SWM      |                              |   |        |                        |  |        |

### Annex 3C. Indicative Timetable for Technical Assistance to Current Partner LGUs: UEM Sector

| Region/ Province     | Municipality/ City  | MOA Signed (Date) | Sector   | Status as of End of Nov 2004 | Year 1   | Year 2 | Year 3                 | Year 4                 | Year 5  |
|----------------------|---------------------|-------------------|----------|------------------------------|--|--------|------------------------|------------------------|---------|
| Quirino              | 42. Cabarroguis     | 04/29/03          | FFM; SWM | ISWM plan legitimized.       | ISWM plan implementation   |        | Documentation, M and E |                        |         |
|                      | 43. Diffun          | 04/29/03          | FFM; SWM | ISWM plan legitimized.       | ISWM plan implementation   |        | Documentation, M and E |                        |         |
|                      | 44. Maddela         | 04/29/03          | FFM; SWM | ISWM plan legitimized.       | ISWM plan implementation   |        | Documentation, M and E |                        |         |
|                      | Province of Quirino | 04/29/03          | FFF, SWM |                              |  |        |                        |                        |         |
| Isabela              | 45. Cauayan City    | 12/03/03          | SWM      | SWM assessment completed.    | ISWM plan completion, legitimization and implementation, TA on wastewater management and financing |        |                        |                        | M and E |
| <b>Central Luzon</b> |                     |                   |          |                              |  |        |                        |                        |         |
|                      | 46. Ma Aurora       | 7/22/03           | FFM; SWM | SWM assessment completed.    | ISWM plan completion, legitimization and implementation  |        |                        | Documentation, M and E |         |
|                      |                     |                   |          |                              |  |        |                        |                        |         |

**ANNEX 4.**  
**FORESTS AND FOREST LANDS MANAGEMENT (FFM) WORK PLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009**

**I. INTRODUCTION**

A significant portion of the Philippine population, estimated at 55% (NSO, 2003), live in rural and agricultural areas. In the 1980s the estimate was that 20% of the population lives in the uplands; recent estimates put this figure at 30%. If this proportion holds true, it implies that in year 2004 the upland population is approximately 24 million (the year 2004 population was projected at 82,663,561) and will grow to 27 million by year 2010. The aggravating result of the year 2000 NSO income and poverty survey was that 26 million of individual population are below poverty threshold (estimated at ₱11,605 per annum) – that is, a 5-member family must have a monthly income of at least ₱4,835 in order to meet their food and non-food needs (NSO, 2003).

These upland population and poverty threshold figures suggest that a significant portion of these 26 million under poverty are living in upland areas—mostly forest areas—and have no tangible assets such as agricultural land to cultivate. Therefore, forest lands, due to its remoteness to planners and managers at the central agency offer opportunity to upland settlers for exploitation in order to alleviate their poverty situation. The urgency of local needs continuously subject forests to conversion to either food crop production or generate cash income in order to meet daily needs. Hence, illegal logging, slash and burn farming, and conversions are simply symptoms of the burgeoning population pressure on the sustainability of the forest. If central agencies do not provide alternatives to effectively manage the resource the situation suggests that forests resources will continue to depreciate and eventually become unproductive if not managed properly, and further losing its biodiversity potentials.

The Medium Term Development Plan sees that the mismanagement and underutilization of the country's natural resources causes or aggravates the poverty situation in the countryside – its potential to sustain poverty alleviation programs has not been fully explored (MTPDP, 2004). The limited amount of production activities (Table 1 below) occurring in forest areas are dominated by industry scale timber production objectives. Of the 14.7 million hectares forest land only 6.6 million are under potential forest production activities, yet remain only as potential, hardly significant impact on poverty alleviation. The country has become a net importer of wood where even its total wood production is significantly lower than its imports (Table 2 below).

**Table 1. Summary data on the potential production activities in forest lands**

|   |                   |
|---|-------------------|
| <b>Total Forest Area</b>                      | <b>15,854,922</b> |
| Classified Forest Land                        | 14,765,804        |
| Unclassified Forest Area                      | 1,089,118         |
| <b>Potential Forest Production Activities</b> | <b>6,554,011</b>  |
| CBFM Projects (Tenured)                       | 4,904,116         |
| IFMA/ITPLA                                    | 713,616           |
| Farm forestry and Agro-forestry               | 114,425           |
| SIFMA   | 36,237            |
| PFDA  | 9,261             |
| FLGMA   | 113,712           |
| Existing timber licenses                      | 662,644           |

Source: 2003 Forestry Statistics (draft document, unofficial)

**Table 2. Production and imports of timber in Year 2003**

| <b>Production and Imports</b>                                 | <b>Quantity, cu meters</b> |
|---|----------------------------|
| <b>Log Production</b>   | <b>505,703</b>             |
| <b>Imports</b>  | <b>835,357</b>             |
| Roundwood   | 355,787                    |
| Lumber  | 338,064                    |
| Veneer and Other Wood (Worked)                                | 92,949                     |
| Plywood & Other Plywood & Veneered Panels & Similar Laminated | 48,557                     |

Source: 2003 Forestry Statistics (draft document, unofficial)

Given the limited resources of the government to resolve these threatening situations, participation by other sectors and local government units becomes imperative.

## **II. OBJECTIVES**

The main objective of the FFM sector is to address threats to the country's forest resources, mainly illegal logging and the conversion of natural forests. It will strengthen the capacity of LGUs, the national and local DENR and local institutions to become catalysts for local action in forest land management. The ultimate goal of the sector is the sustainability of forest resources, anchored on two thrusts: poverty reduction, and biodiversity conservation.

The MTPDP framework recommends that to sustain the alleviation of poverty in the countryside, the development strategy must be catalytic, has multiplier effect, with sector-wide impact and holistic approach to resolving poverty issues. In consonance with the MTPDP framework, the FFM sector strategy is based on five premises:

- That providing long-term asset base to upland settlers through secure property rights improves upland production activities;
- That localized management of forest resources is more effective than central-agency management;

- Private sector participation with accompanying secure property rights ensure effective management of forests and forest lands;
- Livelihood development and biodiversity conservation ensure sustainability of forest resources; and
- Good governance through transparency, accountability and improved participation promotes efficient management of forest resources.

### III. TARGET

Based on the SOW, the five-year target for the sector is at least **150,000 ha of forest cover** placed under improved management. In this work plan, Ecogov 2 is targeting at least **250,000 ha of natural forests<sup>1</sup>** placed under improved management.

The 250,000 ha consist of the 100,000 ha committed by the Project in EcoGov 1 and the 150,000 ha targeted under EcoGov 2. Natural forests include old growth and residual forests and degraded forest lands that are undergoing natural process of regeneration. **Improved management** is achieved when open access areas are placed under a certain tenure/allocation arrangement<sup>2</sup> and when tenured areas are under effective and sustainable management. The conditions for the latter at the tenure level are to include the following:

- Updated and approved management plan with adequate budget commitment by tenure holder
- Implementation of individual property rights (IPR) within tenured area
- Existence of a working or functional management structure
- Year-round active protection and forest policy enforcement
- Adequate and sustainable source of financing and livelihood (for community-based tenure arrangements)
- Regular monitoring and evaluation of forest management and other activities within tenured area
- Existence of a system or mechanism for managing conflicts within the tenured area
- Established external linkages (social capital) with resource institutions, markets, processors and investors.

EcoGov 2 aims to place under improved management all natural forests in the EcoGov 1 assisted LGUs. The above-mentioned indicators for improved management will be adopted. The verifiable evidences that the project will use for each of the above will be defined in the project's Performance Monitoring Plan.

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<sup>1</sup> The SO4 objectives/result structure prepared by the USAID and the Objectives section of the DAI contract make reference to natural forests, thus, the recommendation to focus the indicator to natural forests.

<sup>2</sup> There are five forestlands allocation categories: a) allocated to communities (e.g., CBFMA, CAD/CADT), b) allocation to the private sector (e.g., IFMA, SIFMA), c) allocation to LGUs (e.g., co-management agreement, community watersheds), d) allocation to national agencies (e.g., PNOC reservation, land grants), and e) allocated for public good (e.g., proclaimed watershed reservations, protected area). The proposed allocation of forestland into these categories is contained in the legitimized FLUP.

The FFM target directly supports Thrust Nos. 1 and 3 of the MTPDP (Environment and Natural Resources Sector). It will help promote productive utilization of natural resources to increase investments and entrepreneurship, and likewise protect vulnerable and ecologically fragile areas, especially watersheds and biodiversity-rich areas. In the long term, it will contribute to Thrust 4 and 5 by helping create a healthier environment (air and water quality), and mitigate occurrence of floods and other natural disasters that destroy lives and properties.

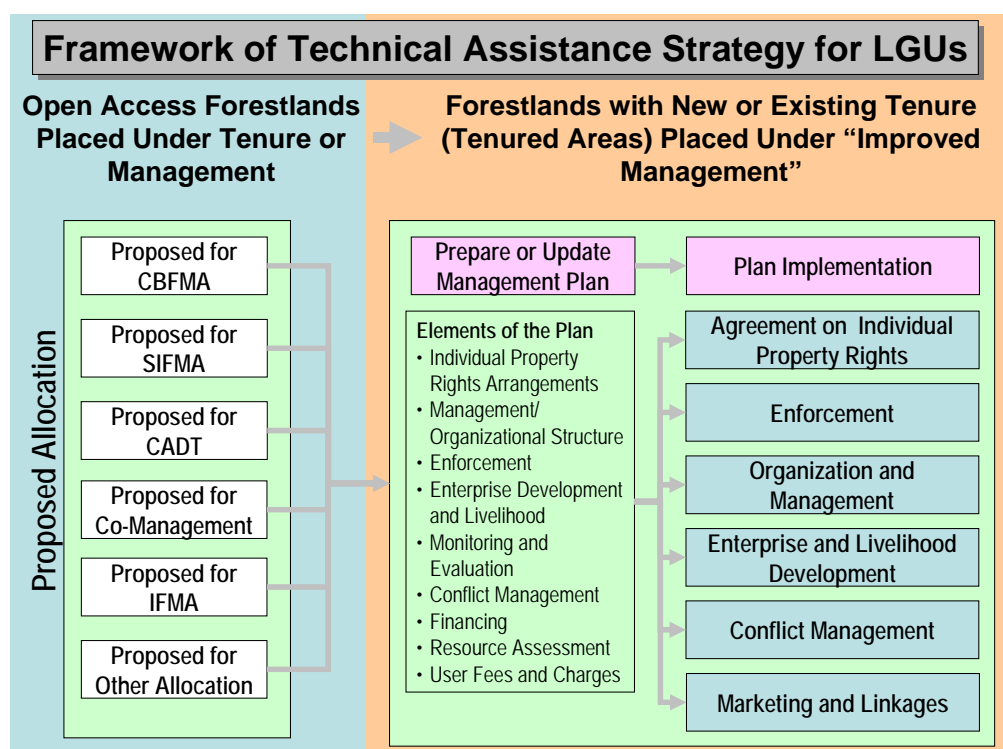
It also contributes to DENR's MFOs 1 to 4, most importantly the following OVIs: (1) OVI 1.2 - pilot-tested schemes for public-private partnership, co-management, and self-regulation, (2) OVI 2.2 – stabilized ecological functions of all proclaimed protected areas and watersheds, (3) OVI 3.1 – established sustainable resource-based livelihood projects, (4) OVI 3.3 - increased area covered and placed under sustainable resource management regimes or instruments, and (5) OVI 4.1 - increased percentage of LGUs trained and oriented on ENR laws and regulations.

#### **IV. KEY STRATEGIES AND APPROACHES**

- 1. Review and develop enabling policies related to FFM to encourage public and private investments in forest lands.** The objectives of the Project's policy support component are to stabilize the investment climate for forests and forest land management and to harmonize or make consistent related policies and implementation procedures. At the national level, EcoGov 2 will review and develop enabling policies related to resource users' fees, private and public investments in forest lands, and regulation and management of foreshore areas. The Project will also continue to support previous policy initiatives of the DENR such as Executive Order 318 (Sustainable Forest Management), harmonization of NIPAS Act, IPRA Law and various forestry regulations, the institutionalization of conflict management, and adoption of improved CBFM and regulatory procedures. It will also maintain its assistance to the ARMM in implementing the Muslim Mindanao Autonomous Act 161 (ARMM Sustainable Forest Management Act).
- 2. Provide TAP-based TA to EcoGov 1 LGUs for the implementation of legitimized FLUPs and signed co-management agreements and to complete remaining FLUP/co-management initiatives.** In the first two years, EcoGov 2 technical assistance will cover the 30 LGUs assisted in the previous phase (refer to Annex 3A for the list of these LGUs and indicative TA time table):
  - Twenty (20) of these have completed the legitimization of FLUP (covering 492,000 ha of forest lands: Northern Luzon - 198,000; Central Visayas - 126,000; Central Mindanao -151,000; and Western Mindanao -15,000).
  - Ten (10) LGUs are at various stages in completing and legitimizing their FLUPs.
  - Twelve (12) LGUs have signed co-management agreements with DENR covering approximately 63,000 ha.
  - One (1) LGU (Zamboanga City) has ongoing negotiations with DENR for a co-management agreement covering four critical watersheds.

Figure 1 below provides the framework for the technical assistance strategy to LGUs which have completed and legitimized FLUPs. The strategy consists of two parts: (a) closing of open access areas by placing them under tenure or management, and (b) strengthening on-site management for forestlands under existing tenure arrangements. Each major assistance strategy will involve a series of activities as illustrated in the diagram. Both are designed to address the sustainability issues that are often raised with respect to community and government-managed forestlands. Thus the emphasis on security of tenure and individual property rights, which are considered basic to the inducement of investments from individual claimants and prospective private investors. Sustainable financing, livelihood creation, conflict management and organizational development are also accorded importance.

This essentially means that the implementation support provided to LGUs will differ. It will depend largely on the extent of the open access areas that need to be closed, the consensus of stakeholders on the allocation of the forestlands and the types of tenurial/allocation arrangements that currently exist in the LGU.



**Figure 1. Framework of technical assistance strategy for FFM sector**

In relation to the assistance elements in the framework, EcoGov 2 will develop the TA/training modules and information materials for the LGU and DENR field staff on various aspects of FLUP implementation. These will include:

- Tenure issuance guidelines and procedures
- Preparation of various resource management plans (CRMF, ADSDPP, others), to include determining best land use option within tenured areas
- Individual property rights
- Conflict management
- Enforcement/Paralegal training
- IEC/social marketing
- Upland livelihood/enterprise development and marketing
- Financing options for FFM, including the development of mechanisms for implementing resource users' fees for rehabilitation and management of watersheds and protected areas, and of incentives systems
- Accessing financing and technical assistance/resource mobilization
- Results-based M and E, focusing on the development of a joint DENR-LGU monitoring and evaluation system for the periodic review of FFM performance as well as the performance of individual tenure holders
- Information management, especially of mapped data, and analysis in support of planning, M and E, and decision-making.

3. **Tailor technical assistance to the distinct characteristics and issues in the EcoGov 2 regions, and make use of opportunities to showcase good governance and innovative responses to threats to forest resources.**

- **Northern Luzon Areas**, particularly the Sierra Madre Mountain Range is recognized nationally and internationally as a biodiversity corridor.
- **Central Visayas Areas** represent advanced state of forest deterioration due to successive conversion to agriculture and expansion of settlements. The existing natural forest area in the region is small. There are, however, natural regeneration areas that can potentially contribute significantly to improving forest cover.
- **Central and Western Mindanao Areas** represent a confluence of issues on forest land management: conflicts of resource use and who benefits; conflicts due to differences in cultural, socio-political and ideological convictions; and minimal government presence making these areas virtually remote. Conflict situations reduce effectiveness of government in many areas and illegal activities become the norm among many resource users.

The diversity in regional conditions offer opportunities to demonstrate synergy of upland, urban and coastal resource management, inter-LGU collaboration in watershed management and protection, public and private complementation, approaches to conflict resolution (e.g., in foreshore area), and user fee schemes. Working models on these will be established and documented, and success stories/lessons learned will be disseminated through publications, and in forestry-related forum and sharing sessions among LGUs, DENR and other partners.



4. **Consolidate and scale up efforts in biodiversity-rich areas.** In Year 3, EcoGov 2 will consider the inclusion of new sites. The approach in LGU selection will be purposive, giving priority to LGUs in biodiversity areas that are currently covered or near EcoGov FLUP sites. The intention is to strengthen collaboration among LGUs which share a **critical** resource and thus create a greater and significant impact on biodiversity conservation. Among the expansion areas under consideration are the Upper Magat watershed in Northern Luzon, Mt. Apo range in Regions 11 and 12, Piapayungan Range (Lanao del Sur), Daguma Mt Range (Sultan Kudarat and Maguindano) and the Lake Sebu area. Refer to map in Annex 10. No further expansion is being envisioned in Central Visayas.
5. **Strengthen the capacity of national and local institutions to support FLUP and co-management initiatives of LGUs,** Selected personnel (potential trainers) from DENR, DILG, and other partners (e.g., academic institutions with forestry programs, environmental NGOs, LGU leagues, Provincial LGU ENROs) will be trained on TAP-enhanced FLUP process (planning and implementation) using the training modules developed under the Project. This will strengthen their capacity to assist LGUs in preparing, legitimizing and implementing FLUPs. This training will broaden the technical assistance support system to LGUs.

EcoGov 2 will provide technical guidance and some funding support to DENR field units that will provide direct assistance to LGUs in FLUP preparation as part of their annual work targets.

At the national level, discussions will be initiated with the DILG to explore integration of FLUP into the comprehensive land use planning of LGUs.

6. **Improve the forest cover information of Northern Luzon.**

Recent mapping work done in Northern Luzon by DENR and other donor-funded projects will be assessed to determine data gaps and actions needed to enhance their usefulness in FLUP and site management planning. EcoGov 2 will support the conduct of provincial workshops for the review/harmonization and validation of the maps and the production of these maps for the EcoGov-assisted LGUs.

## **V. PROGRAMMED TARGETS**

Table 3 lists the priority LGUs for assistance in EcoGov 2 and summarizes the open access forests and the natural forest cover in these LGUs.

**Table 3. EcoGov<sup>1</sup> LGUs Targeted for Technical Assistance in Phase 2, area in hectares**

| No                          | Local Government Unit/Region  | Total Forest Lands, hectares | Forest Lands with Existing Tenure, hectares | Open Access Forest Lands, hectares | Natural Forest Cover, hectares | % of forest lands that are Open Access | % of Forest lands with Natural Forest cover | Date of FLUP Legitimation | Signed Co- Mgt Agreement |
|-----------------------------|-------------------------------|------------------------------|---|------------------------------------|--------------------------------|--|---|---------------------------|--------------------------|
| <b>Western Mindanao</b>     |                               |                              |   |                                    |                                |  |   |                           |                          |
| 1                           | Lamitan, Basilan              | 4,240                        | 2,980                                       | 1,255                              | 560                            | 30%                                    | 13%   | 6/9/2004                  |                          |
| 2                           | Isabela City, Basilan         | 11,280                       | 4,400                                       | 6,900                              | 4,922                          | 61%                                    | 44%   | 7/29/2004                 | 4/24/2004                |
| 3                           | Zamboanga City                | 2,609                        |   |                                    | 2,169                          |  | 83%   |                           |                          |
| <b>Southern Mindanao</b>    |                               |                              |   |                                    |                                |  |   |                           |                          |
| 4                           | Wao, Lanao del Sur            | 19,820                       | 19,820                                      | -                                  | 12,529                         |  | 63%   | 2/17/2003                 |                          |
| 5                           | Lebak, Sultan Kudarat         | 23,200                       | 4,936                                       | 18,264                             | 6,927                          | 79%                                    | 30%   | 12/29/2003                | 3/30/2004                |
| 6                           | Kalamansig, Sultan Kudarat    | 40,160                       | 14,400                                      | 25,800                             | 10,809                         | 64%                                    | 27%   | 10/22/2003                | 3/30/2004                |
| 7                           | Maitum, Sarangani             | 21,770                       | 10,900                                      | 10,870                             | 16,804                         | 50%                                    | 77%   | 4/13/2004                 |                          |
| 8                           | Maasim, Sarangani             | 46,620                       | 25,400                                      | 21,220                             | 4,433                          | 46%                                    | 10%   | 9/23/2004                 |                          |
| 9                           | Makilala, Cotabato            | 10,886                       |   |                                    | 4267                           |  | 39%   |                           |                          |
| 10                          | Kidapawan, Cotabato           | 9,000                        |   |                                    | 4,271                          |  | 47%   |                           |                          |
| 11                          | Kiamba, Cotabato              | 30,843                       |   |                                    | 19,229                         |  | 62%   |                           |                          |
| <b>Central Visayas</b>      |                               |                              |   |                                    |                                |  |   |                           |                          |
| 12                          | Bayawan City, Negros Oriental | 20,245                       | 5,811                                       | 14,434                             | 474                            | 71%                                    | 2%  | 12/11/2003                | 6/8/2004                 |
| 13                          | Sta Catalina, Negros Oriental | 41,507                       | 21,533                                      | 19,974                             | 3,679                          | 48%                                    | 9%  | 4/6/2004                  | 9/8/2004                 |
| 14                          | Dauin, Negros Oriental        | 5,279                        | 5,279                                       |                                    | 2,846                          |  | 54%   | 5/24/2004                 |                          |
| 15                          | La Libertad, Negros Oriental  | 5,595                        | 553   | 5,042                              | 123                            | 90%                                    | 2%  | 12/12/2003                | 6/9/2004                 |
| 16                          | Bais City, Negros Oriental    | 13,295                       | 3,632                                       | 9,623                              | 4,271                          | 72%                                    | 32%   | 3/11/2004                 | 9/9/2004                 |
| 17                          | Tanjay City, Negros Oriental  | 14,554                       | 5,999                                       | 8,555                              | 1,230                          | 59%                                    | 8%  | 2/24/2004                 | 9/9/2004                 |
| 18                          | Toledo City, Cebu             | 5,994                        | 2,280                                       | 3,714                              | 2,169                          | 62%                                    | 36%   | 9/14/2004                 | 9/14/2004                |
| 19                          | Dalaguete, Cebu               | 7,231                        | 3,099                                       | 4,132                              | 548                            | 57%                                    | 8%  | 2/26/2004                 | 8/25/2004                |
| 20                          | Alcoy, Cebu                   | 4,973                        | 3,324                                       | 1,649                              | 844                            | 33%                                    | 17%   | 3/29/2004                 | 8/16/2004                |
| 21                          | Talibon, Bohol                | 6,815                        | 3,327                                       | 3,488                              | 568                            | 51%                                    | 8%  | 2/16/2004                 | 3/11/2004                |
| 22                          | San Miguel, Bohol             | 585                          | 550   | 35                                 | 60                             | 6%                                     | 10%   | 6/15/2004                 |                          |
| <b>Northern Luzon</b>       |                               |                              |   |                                    |                                |  |   |                           |                          |
| 23                          | Aglipay, Quirino              | 13,622                       |   |                                    | 123                            |  | 1%  |                           |                          |
| 24                          | Cabaroguis, Quirino           | 16,364                       |   | 9,349                              | 6,831                          | 57%                                    | 42%   |                           |                          |
| 25                          | Differ, Quirino               | 19,506                       |   |                                    | 2,846                          |  | 15%   |                           |                          |
| 26                          | Maddela, Quirino              | 59,292                       | 30,041                                      | 29,251                             | 44,163                         | 49%                                    | 74%   | 9/20/2004                 |                          |
| 27                          | Nagtipunan, Quirino           | 139,318                      | 139,318                                     |                                    | 103,848                        |  | 75%   | 9/23/2004                 |                          |
| 28                          | Baler, Aurora                 | 4,579                        | 4,245                                       | 334                                | 4,192                          | 7%                                     | 92%   |                           |                          |
| 29                          | Maria Aurora, Aurora          |                              |   |                                    |                                |  |   |                           |                          |
| 29                          | Quezon, Nueva Vizcaya         | 17,467                       |   |                                    | 7,518                          |  | 43%   |                           |                          |
| 30                          | Dupax del Sur, Nueva Vizcaya  | 36,572                       |   |                                    | 3,679                          |  | 10%   |                           |                          |
| <b>Total Area, hectares</b> |                               | 653,221                      | 311,827                                     | 193,889                            | 276,932                        |  |   |                           |                          |

<sup>1</sup> Entries indicate date of the approval by the SB/SP at the LGU level

Table 4 presents the annual and regional breakdown of the target natural forest areas.

**Table 4. Natural forest areas to be placed under "improved management" by region**

| EcoGov Region            | Hectares of Natural Forests |               |               |               |               |                |
|--------------------------|-----------------------------|---------------|---------------|---------------|---------------|----------------|
|                          | 2005                        | 2006          | 2007          | 2008          | 2009          | Total          |
| <b>Western Mindanao</b>  | -                           | 1,100         | 1,590         | 2,190         | 2,460         | <b>7,340</b>   |
| <b>Southern Mindanao</b> | -                           | 12,900        | 15,200        | 18,800        | 19,500        | <b>66,400</b>  |
| <b>Central Visayas</b>   | -                           | 3,270         | 4,080         | 4,900         | 4,080         | <b>16,330</b>  |
| <b>Northern Luzon</b>    | -                           | 30,400        | 39,500        | 49,300        | 45,400        | <b>164,600</b> |
| <b>Total</b>             | -                           | <b>47,670</b> | <b>60,370</b> | <b>75,190</b> | <b>71,440</b> | <b>254,670</b> |

As mentioned, inclusion of new sites will be considered in Year 3. These will include LGUs that will be assisted in Years 6 and 7. .

## VI. ACTIVITIES AND IMPLEMENTATION SCHEDULE

| Activities   | 2004 * | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|--------|------|------|------|------|------|
| 1. Transitional and preparatory activities   |        |      |      |      |      |      |
| 2. Development of TA modules (training modules, decision-making tools and guides)  |        |      |      |      |      |      |
| 3. Technical Assistance to LGUs  |        |      |      |      |      |      |
| • Completion/Legitimization of FLUPs and co- management agreement (10GUs)  |        |      |      |      |      |      |
| • Assistance to LGUs in FLUP/co-management agreement implementation  |        |      |      |      |      |      |
| o Issuance of tenure   |        |      |      |      |      |      |
| o Preparation of resource management plans   |        |      |      |      |      |      |
| o Individual property rights (IPR)   |        |      |      |      |      |      |
| o Livelihood, enterprise development, marketing and financing  |        |      |      |      |      |      |
| o LGU financial analysis and financing options   |        |      |      |      |      |      |
| o Enforcement and paralegal training   |        |      |      |      |      |      |
| o Conflict management  |        |      |      |      |      |      |
| o Organizational development (for POs)   |        |      |      |      |      |      |
| 4. Training, coaching and mentoring of selected LGUs on resource users' fees and other innovative financing schemes and incentives systems |        |      |      |      |      |      |
| 5. Documentation of models and success stories/good practices  |        |      |      |      |      |      |
| 6. Assessment of expansion areas   |        |      |      |      |      |      |
| 7. Assistance to LGUs in expansion areas   |        |      |      |      |      |      |
| 8. Capability building of DENR, DENR   |        |      |      |      |      |      |

| Activities   | 2004 * | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|--------|------|------|------|------|------|
| <b>ARMM, LSPs and other partners (Trainers Training</b>  |        |      |      |      |      |      |
| • Forest Land Use Planning Process   |        |      |      |      |      |      |
| • FLUP Implementation  |        |      |      |      |      |      |
| • Results-based M and E  |        |      |      |      |      |      |
| • Information Management and Analysis  |        |      |      |      |      |      |
| • Accessing Financing  |        |      |      |      |      |      |
| • Alternative Dispute Resolution   |        |      |      |      |      |      |
| 9. Assessment of Northern Luzon mapping and TA on map validation and production  |        |      |      |      |      |      |
| 10. Review and develop policies on user fees, incentives, investments, forest regulations  |        |      |      |      |      |      |
| 11. Support previous policy initiatives such as EO 318, harmonization of NIPAS, IPRA, and other forest regulations; and assistance for developing IRR for MMAA 161 |        |      |      |      |      |      |

\*Oct 1, 2004 to Dec 31, 2004

**ANNEX 5.**  
**COASTAL RESOURCE MANAGEMENT (CRM) WORK PLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009**

**I. INTRODUCTION**

The country's increasing population, resulting in higher demands for natural resource use, has brought about adverse effects on the environment. This has been aggravated by people's unsustainable practices which are motivated by increasing competition among resource users. Catch per unit effort of demersal and small pelagic fisheries have decreased drastically in the past three decades, and various studies have shown that the major bays and nearshore fishing grounds in the country are severely overexploited. The widespread degradation of critical coastal habitats such as coral reefs, seagrass beds and mangrove forests has contributed substantially to the decline in fisheries productivity. Habitats, spawning and nursery grounds of many commercially important species have been threatened by destructive fishing practices and the cutting and conversion of mangrove forests. Sedimentation due to improper upland management and other sources of pollution further imperil coastal areas, municipal waters and its resources. These environmental damages have severe socio-economic consequences for millions of people who rely on fishing and fishery related livelihoods and on the food security of the country.

Coastal resource management is one of the major devolved functions of LGUs provided by the Local Government Code (RA 7160) and the Philippine Fisheries Code (RA 8550). The LGUs are mandated to conserve and protect and sustainably manage resources within their municipal waters. In this regard the municipal/city LGUs are responsible for planning, legislation, regulation and law enforcement, taxation and revenue generation and networking with various institutions for extension and technical assistance. Given that the most productive coastal habitats and fishery grounds are found within the area of jurisdiction of the LGUs, it is important that the LGUs together with the local community, make sound and informed decisions regarding the utilization and management of these resources. In view of the critical role of the coastal LGUs and communities, EcoGov primarily aims to strengthen the LGUs' capacity for good governance in Coastal Resource Management. At the same time, the project aims to strengthen constituency that will demand for good environmental governance.

**II. OBJECTIVES**

The CRM component addresses the critical threats to the country's coastal and municipal resources, primarily overfishing and the use of destructive fishing practices.

### III. TARGETS

Based on the SOW, EcoGov 2 is expected to have **800 hectares** of coastal area under improved management, **20 new** marine protected areas (MPAs) established covering **300 hectares**; and **60 existing** MPAs covering **750 hectares** under management.

Given what was covered by the CRM component in EcoGov 1, the proposed physical targets for the first five years (2004-2009) are as follows: **106,400 hectares** of coastal areas under improved management; **20 new marine sanctuaries**<sup>1</sup> established covering **400 hectares** and **50 existing marine sanctuaries** under improved management covering **2,500 hectares**. The 50 strengthened marine sanctuaries shall include the 20 newly established marine sanctuaries.

The projected total coastal and marine sanctuary area under improved management is considerably greater than SOW targets. The proposed targets are based on the legitimized CRM, fishery resource management (FRM) and MPA plans of LGUs assisted in EcoGov 1, which will be provided technical assistance in implementation in EcoGov 2. Information on MPAs were also taken from the inventory of MPAs from the University of the Philippines Marine Science Institute (UPMSI) AFMA marine fisheries reserve project database.

The number of marine sanctuaries and coastal areas under improved management will still increase after Year 5. The potential for expansion will be assessed in Years 3 and 4.

Improved management of coastal areas will result from the implementation of plans in identified coastal/maritime management zones. This objective is consistent with Thrust No.1 of the MTPDP (Environment and Natural Resources Sector) for the sustainable and more productive utilization of natural resources to promote investments and entrepreneurship. The establishment and improvement of the management of marine sanctuaries contributes to Thrust No. 3 of the MTPDP, particularly to the expansion of coverage and protection of marine and coastal ecosystems through the establishment of marine sanctuaries in cooperation with LGUs.

The CRM targets will contribute to four Major Final Outputs (MFOs) of DENR, particularly to these OVI: a) existing ecological functions of all proclaimed protected areas and watershed, established critical habitats, priority mangrove areas, coral reefs, seagrass beds and other wetlands maintained and stabilized, and b) increasing area covered and placed under sustainable resource management regimes or instruments. They will also contribute to DA-BFAR's MFO on support to the development and management of fisheries and aquatic resources, specifically extension support, education and training services on fisheries resource studies and management.

The priority areas for EcoGov 2 in Western and Southern Mindanao, Central and Western Visayas (as expansion area) and Northern Luzon are a mix of important fishing grounds and priority biodiversity conservation areas that include a number of proclaimed tourist zones and marine reserves (i.e., priority coral reef, seagrass and mangrove

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<sup>1</sup> **Marine sanctuaries** will be used in EcoGov 2 to refer to marine protected areas which are under the jurisdiction of LGUs.

areas). These sites represent a range of ecological and socio-economic conditions (i.e., diversity and abundance of fishery resources, degree of resource exploitation, coastal area development, population growth; diversity of cultures including indigenous peoples, levels of conflicts) of significant national interest. The lessons learned can be utilized to improve environmental governance in other parts of the country. Moreover, because majority of the efforts are in Mindanao (including high conflict areas), outcomes directly contribute towards the sustainable development of Mindanao.

#### **IV. DESCRIPTION OF TARGET INDICATOR**

##### **1. Improved management of coastal and municipal water areas**

Improved management essentially means:

- There is a legitimized fisheries/coastal resources management plan<sup>2</sup>;
- There is annual local budget allocation for CRM;
- A resource management organization has been formed and is functional; and
- Good practices in coastal resource management and/or fisheries management are being implemented. In coastal resource management, the implementation activities will cover a broad range of actions in the various coastal zones (e.g., municipal fishing zone, protected zone, mariculture zone, ecotourism and recreation zone, navigation zone, commercial fishing zone, fisheries development zone) established in LGU CRM plans. Good practices in fisheries management will include both enforcement (e.g., deputation and regular patrolling, apprehensions and reduction of destructive and illegal fishing activities) and management of fishing effort (e.g., fishery registry, fisheries monitoring and cross compliance incentives).

In EcoGov 2, an LGU will have improved the management of its coastal and municipal water areas when it meets the first three conditions (legitimized plan, budget and resource management organization) and when it implements at least two good practices in fisheries management and/or coastal resource management. For LGUs with CRM plans, there should be at least two implementation actions undertaken in one zone aside from the protection or municipal fishery zones. For LGUs with fisheries management plans, at least one implementation action should be related to enforcement and the other should be on the management of fishing effort. The key implementation options are described in the sector strategies.

The total area under improved management, in hectares, is the total municipal water area of an LGU from shore up to 5 km<sup>3</sup>, which is roughly one third of the municipal waters.

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<sup>2</sup> The priority areas in Year 1 already have legitimized plans. This criterion will apply to new/ additional CRM/FRM sites.

<sup>3</sup> This is considered as reasonable area within sight from shore, response time of law enforcers within 20 minutes (for boat running at 10 nautical miles per hour)

## 2A. New sanctuaries established

These are new marine sanctuaries (i.e., not previously declared or established) that meet these minimum requirements: management bodies formed, management plan legitimized, budget allocated by LGU, and with at least two implementation activities started (e.g., community IEC, installation and maintenance of buoys, patrolling, apprehension). EcoGov 2 will use a rating system that will define the full set of criteria for established marine sanctuaries.<sup>4</sup>

## 2B. Existing sanctuaries improved

These are those established marine sanctuaries where implementation actions have been maintained (for at least one year) and have resulted in reducing fishing effort and destructive fishing in no-take areas. Threshold actions include: enforcement (e.g., “no fishing” enforced for a year in core zone (i.e., no-take area) and reduced destructive fishing outside the no-take areas) implemented for at least one year, and regulation of fishing effort outside the no-take area (e.g., monitoring, control and surveillance activities). These marine sanctuaries are to meet at least the rating for enforced marine sanctuaries (see footnote 4).

## V. KEY STRATEGIES AND APPROACHES

1. **Focus in Year 1 on implementation of legitimized CRM, fisheries management, and MPA plans of the 22 LGUs assisted in EcoGov 1.** The implementation support options that will be given priority by EcoGov 2 in assisting the 22 LGUs (see list of these LGUs and indicative timetable of TA in Annex 3B) are the following:

| In LGUs with CRM Plans   | In LGUs with Fisheries Management Plans  | In LGUs with MPA Plans   |
|--|--|--|
| Design and implementation of IEC and advocacy in support of zone management  | Assessment of the organizational structure and strengthening of inter-LGU alliances  | Review and assessment of management body and management plan   |
| Training on revenue generation (e.g., user fees), financial mobilization and incentive systems                     | Training on boarding and apprehension, environmental laws and paralegal training   | Design and implementation of IEC and advocacy in support of marine sanctuary management and networking                     |
| Strengthening of FARMCs and zone management committees   | Develop IEC and advocacy programs linked to policy and sustainable financing   | Training on enforcement and compliance M and E   |
| Design of M and E of CRM implementation for zone guidelines and performance review of designated management bodies | Design monitoring of the performance of the Fisheries Law Enforcement Team (e.g., regular patrolling and apprehension, filing of cases ) | Training on biophysical benchmarking and monitoring (habitat and fisheries) within and adjacent areas linked to governance |

<sup>4</sup> A governance-enhanced rating system for MPAs/marine sanctuaries will establish the levels of MPA/MS development: established, enforced, sustained and institutionalized. Each will have a set of biophysical and governance indicators, with the threshold implementation actions or “must” actions defined for each level.



| In LGUs with CRM Plans   | In LGUs with Fisheries Management Plans  | In LGUs with MPA Plans  |
|--|--|---|
| Socio-economic analysis and feasibility studies for livelihood development                                   | Training on data gathering for FISH BE analysis  | Alliance building and marine sanctuary network formation and sustainable financing  |
| Implementation of subzone guidelines and strategies in at least two identified CRM zones in legitimized plan | Establishment of registry, permits and licensing and cross compliance system, (e.g., landed catch inputs to M&E) | Site development and maintenance (e.g., CRM office, guard houses and/or visitors center established).                                 |
|  | Review and development of rights-based fisheries instruments   | Subzone regulation and implementation (enforcement of no-take areas, regulation of restrictions and allowable activities in reserve ) |

The training modules will include policy (i.e., ordinance formulation), IEC/advocacy and alternative dispute resolution (ADR) in support of implementation activities. Training on revenue generation and financial mobilization also cuts across all technical assistance modules. For LGUs that have more than one legitimized plan, the technical assistance modules will be integrated within a holistic framework.

An assessment in Year 3 and 4 will ascertain the potential for expansion of coastal areas with improved management and for establishment and/or networking of other marine sanctuaries in other parts of Mindanao, Central and Western Visayas. See map in Annex 10 for the existing sites and proposed expansion areas.

2. **Adopt a bay-wide/ecosystem approach in consolidating and scaling up of efforts in priority bays and marine biodiversity areas.** This will build on the implementation activities in EcoGov 1 assisted LGUs in Illana Bay, Sibuguey Bay, Camotes Sea and Baler Bay and expand to other adjacent LGUs within the respective provinces through strengthening of inter-LGU alliances in coastal and fishery management, particularly in joint fishery law enforcement and networking of marine sanctuaries. Eventually, strengthening and networking of LGUs and resource managers of existing marine sanctuaries will be expanded to cover other important marine biodiversity sites and corridors such as Basilan Island, Siquijor Island, Bohol Sea, Sibuyan Sea Passage and Eastern Davao Gulf. See CRM map in Annex 10. The EcoGov 2 sites have strategic national and regional ecological and economic significance as discussed in the sections on targets and regional strategies.
3. **Mobilize and institutionalize regional and provincial support to promote inter-LGU CRM efforts.** Ecogov 2 will explore the multifunctional roles of inter-LGU alliances, and provincial and regional networking efforts to further enhance the effectiveness and sustainability of LGU CRM action plans and scale-up impacts. The goal will be to demonstrate the enhanced beneficial ecological and economic outcomes of synergistic efforts (e.g., cost-sharing arrangements, joint advocacy) in coastal and fisheries management to enjoin support and participation from all levels of LGUs within a bay and a broader ecosystem in relation to fishery production and/or biodiversity conservation. Technical and coordination capabilities of the provincial LGUs (e.g., Provincial LGU ENR Office, Provincial Agriculturist's Office or PAO, PFARO) will be strengthened in

coordination with DENR, BFAR and DILG regional/provincial personnel so that they can effectively mobilize and leverage financial support and incentives for inter-LGU CRM activities (e.g., from the Regional Development Councils or RDCs)

- 4. Establish a network of marine sanctuaries that will achieve strong compliance and sustainable financing at various levels of governance.** Networks of marine sanctuaries (i.e., managed by POs and/or NGOs, by barangay LGUs or jointly by barangay and municipal LGU) managed in an integrated management area (e.g., such as a bay or cluster of islands or contiguous coastlines) provide a venue for achieving both targets of achieving marine sanctuary management and increasing coastal areas with improved management. Sanctuaries provide spillover potentials of the managed fisheries stocks of adults and larval supply to adjacent areas. These networks will demonstrate areas of convergence for resource managers and decision makers in municipalities to effectively manage and sustain management at larger functional ecological and governance scales.

Technical assistance delivery would require a combination of training-workshops for resource managers in candidate management areas to achieve good management practices one level higher than baseline conditions. Initially, the team will undertake the standardization of methods and formulation of TA modules with LSPs in each target region. Among the methods would be the system for the annual monitoring and rating of the performance of marine sanctuaries, using both biophysical and governance parameters. Sustainable financing mechanisms and fund management systems should be in place (e.g., with a functional fund management group and annual contribution to the fund is at least 50 thousand pesos per year from each member municipality).

A marine sanctuary network grant system will provide independent, performance-based incentives for improving alliances that will implement scaled up institutional arrangements and sustainable financing schemes (e.g., cost-sharing arrangements and trust funds). To qualify for grants under this system, marine sanctuary networks must have had at least one year of implementation activities and achieved at least the rating for enforced marine sanctuaries.

At the national level, a biennial marine sanctuary workshop will be conducted in support of the Philippine Marine Sanctuary Strategy (PhilMarSaSt) to establish the constituency for higher-level networks of practitioners and managers that will provide the legitimacy of a certification and advocacy for integrated CRM interventions at the regional and national scales. In support of this, a network of information system linked to decision support tools and technical experts pool system will be developed in collaboration with other marine sanctuary initiatives in the country.

- 5. Strengthen capabilities of local service providers (LSPs) and create a market for technical assistance services of LSPs.** Training and mentoring will be provided to build the capacity of institutional LSPs (i.e., regional and provincial DENR and BFAR personnel, academic institutions and region-based NGOs) to provide technical assistance to LGUs and their constituents towards sustained

good governance of coastal and fishery resources management beyond the life of the project.

Involvement of local institutions and resource persons will be expanded through joint field-testing and refinement of coastal resources management training modules; institutionalization of training courses on good environmental governance (for selected academic institutions) and grants in support of the establishment and management of marine sanctuary networks. Related technical services of DENR (e.g., community-based mangrove forest management) and BFAR (e.g., deputation and enforcement training, FARMC strengthening, registry of fisherfolks, licensing and permits) will be mainstreamed into the EcoGov 2 technical assistance menu and will be complemented with governance elements. These provide opportunities to forge long-term partnerships between the LGUs and among the different potential local service providers in improving environmental governance.

- 6. Develop and demonstrate utilization of decision support tools and incentive systems to promote and sustain good governance practices.** The Fisheries BioEconomic model (Fish BE) developed in EcoGov 1, is an innovative decision support tool for integrating LGU efforts in marine sanctuaries, fisheries management and coastal management. The tool facilitates understanding of the ecological and socio-economic consequences of CRM decisions and importance of an adaptive management approach. A library of scenarios for different coastal and fishery resource/resource use conditions will be made more user friendly to decision makers and other CRM practitioners. Likewise, the model will be further developed for bay-wide scenarios. The tool will also be used for social awareness and advocacy programs, and to generate inputs for the development of pertinent policy and sustainable financing support for related CRM efforts.

The team will work with LGUs and local stakeholders for the development and testing of various incentive systems (e.g., fishery rights, marine sanctuary network grant program, Blue Flag system, foreshore tenure instruments) in selected sites. IEC programs to induce improvements and sustain coastal and fisheries resources management efforts will complement technical assistance.

- 7. Coordinate with related projects, NGOs and National Government Agencies (e.g., DENR, BFAR, DILG) to enhance fishery/coastal enforcement, develop policy and sustainable financing mechanisms (e.g., private-public sector partnerships, trust funds).** Aside from assisting DA-BFAR and DENR in mainstreaming CRM technical assistance services to LGUs, the project will actively share information (i.e., trainings, joint meetings and facilitation of website data base linkages for improved decision support), utilize lessons learned from related CRM projects and complement related activities to optimize resources and effectiveness of technical assistance particularly on fishery and coastal law enforcement, development and use of incentive/disincentive systems to manage fishing effort. It will coordinate with the USAID funded project Fisheries Improved for Sustainable Harvest (FISH) in relation to some policy work and training on fishery law enforcement and complementation in the ARMM islands (e.g., in Tawi-Tawi). Likewise the project will complement ongoing initiatives by FRMP and other NGOs in Davao Gulf with the pilot testing of the Blue Flag in Samal Island and the networking of existing marine sanctuaries. In Sultan Kudarat, the

CRM planning activities of Mindanao Resource Development Project (MRDP) will be complemented by technical assistance in the implementation of the legitimized fisheries management plans. In Aurora, activities of the Spanish funded CRM project will assist EcoGov 2 in providing technical assistance for the implementation of the legitimized fisheries and CRM plans. Similarly, coordination with Plan International and co-financing of implementation activities in Camotes will continue.

Discussions will be initiated with DILG for support in the integration of coastal zoning (land-based) in the comprehensive land use planning of LGUs.

- 8. Strengthen political will and support for good environmental governance practices.** The cross cutting technical support for advocacy and social awareness, sustainable financing and policy support will further increase the likelihood of success in sustaining good environmental governance practices. For example, assistance in identifying strategic investment areas and guiding LGUs with the implications of these investments in coastal management improves accountability and transparency, and thus enhance buy-in and private-public partnerships which can serve as an incentive for good performance in natural resources management.

Success stories and lessons learned will be documented and disseminated as part of the advocacy program. Moreover, field -based experiences will be utilized for policy support initiatives (e.g., amendments to RA 8550, harmonize concerns in NIPAS areas and marine sanctuaries co-managed by LGUs and communities).

Sustainable financing is a critical need for the implementation of coastal and fishery management efforts and remains a major challenge for various development projects. The project will explore innovative financial arrangements and strategies, supported by clear policy instruments and advocacy to help address this need. The financing strategy will leverage the establishment of common trust funds or endowments (e.g., for joint enforcement teams, marine sanctuary networks) at least in a bay-wide level or LGU cluster linked to good environmental governance performance. This strategy is crucial to help subsidize and internalize costs for CRM management, particularly management of protected areas. The LGU Finance team will consider these strategic streams in their initial review of the financial plans of LGUs targeted. User fees and other investments will also be supported as part of the cost-revenue analyses in the trainings for LSPs and other related agencies that support LGUs, regional and national management bodies.

- 9. Emancipation of women's roles in Coastal Governance through enforcement, IEC-policy advocacy and sustainable financing.** Though gender sensitivity is considered in all coastal management interventions, efforts to enhance coastal enforcement with gender equal opportunities (e.g., market denial mechanisms by fisheries inspectors may best be made by women deputies) will be facilitated. To date only a low proportion of fisheries wardens deputized are women. In addition, many fish vendors are womenfolk and provide areas for value-added opportunities in endogenizing marketing mechanisms that

enhance cross compliance (e.g., ecolabeling, accounting, monitoring, control and evaluation) and capital buildup for sustainable financing.

The crucial intergenerational mentoring of mothers to their children (e.g., on reproductive health with husband, daily fish vending or gleaning activities) influences the fisheries production process and ecosystem stewardship (e.g., planting of mangroves as home for associated fisheries that should be harvested sustainably). Women are powerful channels for IEC and advocacy to inculcate values and practices on good environmental governance. More importantly women folk provide the moral strength in communities (e.g., increasing savings instead of using monies for vices; investing on education for children) and thus are influential in conveying IEC messages on long-term ecological, socio-economic benefits of good environmental governance at the household and community level. Evaluation and monitoring measures on the role of women will be incorporated in the conduct of M&E processes.

## **VI. REGIONAL TARGETS AND STRATEGIES**

A diverse selection of priority areas considered various governance (i.e. based on the experience in Ecogov 1), social, economic and ecological criteria. The same key strategies and approaches as discussed above will be employed in each region. However, the thrusts and scope of the technical assistance will vary depending on strategic opportunities for replication and scaling up of impacts within in each region as well as other areas in the country.

### **WESTERN MINDANAO: Illana & Maligay Bay (ZDS), Sibuguey Bay, Basilan Island**

Majority of the CRM efforts will be focused in Western Mindanao, a major fishing ground for pelagic fisheries with a very high priority biodiversity conservation area (i.e. Moro Gulf). Although fish catch in the area is also declining, the status of fisheries stocks is still better than in many fishing areas in Luzon and Visayas, thus concerted efforts in fisheries and CRM management among LGUs have greater potential immediate impacts towards sustainable fisheries. Coastal and fisheries resources management contributes to confidence building measures to better manage conflicts among culturally heterogeneous resource users.

- Strengthening of IBRA 9 Alliance with piloting of learning sites for Sibuguey Bay.
- Networking of marine sanctuaries and participatory M&E for IBRA 9, Basilan and Maligay Bay.
- Assistance to Isabela City and Lamitan (Basilan) to expand coastal areas under improved management in the region.

### **SOUTHERN MINDANAO: Illana Bay (Sultan Kudarat), Davao Gulf**

The coastal LGUs of Sultan Kudarat is part of the high fisheries production and biodiversity priority area in the Moro Gulf and provides another entry point to foster baywide fisheries management in Illana Bay.

- Samal Island, Davao Gulf which is a tourist zone, marine reserve and also the site of a mariculture park, will build on previous project efforts of FRMP and CRMP to develop and test incentive and environmental accreditation systems (e.g., Blue Flag) linked to UEM efforts. Promote private-public partnerships and investments linked to good environmental governance boosting the potential of Davao to become a major tourist destination (MTPDP for Tourism).
- Assistance to Lebak and Kalamansig, Sultan Kudarat in refining and implementation of their fisheries management plans to complement the CRM efforts of DENR in the area and share experiences through IEC.

### **CENTRAL & WESTERN VISAYAS: Camotes Sea, Bohol Sea, Sibuyan Sea Passage**

The Visayan Sea, Tañon Strait, Northern Bohol up to Camotes Sea belong to the Philippine Inland Seas Subregion which represents outstanding priority areas for biodiversity conservation being home of diverse, endemic and rare species of marine life as well as critical bird migration stopover. However, the coastal areas and municipal waters in some areas in the region are severely overfished and degraded in part due to very high demand of a rapidly growing population growth. Central Visayas has been the laboratory for many types of coastal and fisheries development projects since the 1980s. Lessons from past initiatives and the changing socio-economic milieu have brought about the need for a balanced economic-environmental development with its strategy for agro-industrial development ( e.g., Cebu and Bohol are being developed as major tourist destinations per the MTPDP). Thus the region provides a wide diversity of options to promote good environmental governance in highly developed coastal cities as well as underdeveloped rural small island communities.

- Strengthen and improve implementation of legitimized CRM/fisheries/MPA management plans in the Camotes Sea area
- Pilot MPA networks in high biodiversity and ecologically significant areas with support in the form of grants to POs and NGOs. Potential expansion areas include Southern Negros, Siquijor, Southern Bohol and Western Panay, which are located at important marine corridors.
- Due to rapid industrialization and coastal development in the Central Visayas, issues on foreshore management and maintaining water/habitat quality will be addressed. A pilot site for technical assistance in foreshore management with support from FFM and policy will be established. Support will be given to UEM for the development and initial implementation of a Blue Flag system in tourist areas (e.g., Panglao Island).

### **NORTHERN LUZON: Baler Bay**

Baler Bay is home of indigenous peoples (e.g., Dibut tribe in San Luis and Baler) dependent on the productivity of marine and forest resources. Situated along the Pacific coast, the fisheries are predominantly pelagic in nature and strongly influenced by the northward flowing Kurushio current and the Northeast monsoon. The northern portion of the Bay (including Dinalungan) is identified as priority seagrass areas (i.e., critical feeding areas for *dugong*).

- Strengthen inter-LGU collaboration mechanisms through fisheries enforcement and CRM integration including networking of MPAs in four LGUs in Baler Bay
- Provide assistance to enhance implementation of CRM zone management strategies in Dinalungan.

## VII. PROGRAMMED TARGETS

The yearly targets with regional breakdown are as follows:

| Region   | 2005           | 2006           | 2007            | 2008           | 2009             | Total             |
|--|----------------|----------------|-----------------|----------------|------------------|-------------------|
| <b>A. Hectares of coastal areas under improved management</b>                      |                |                |                 |                |                  |                   |
| Western Mindanao   |                | 35,500         | 14,700          | 9,000          | 2,000            |                   |
| Southern Mindanao  | 5,700          |                |                 | 2,000          |                  |                   |
| Central & Western Visayas  | 1,600          | 5,600          | 8,700           | 2,000          |                  |                   |
| Northern Luzon   | 6,600          | 13,000         |                 |                |                  |                   |
|  | <b>13,900</b>  | <b>54,100</b>  | <b>23,400</b>   | <b>13,000</b>  | <b>2,000</b>     | <b>106,400</b>    |
| <b>B. New marine sanctuaries established (area in hectares)</b>                    |                |                |                 |                |                  |                   |
| Western Mindanao   | 4 (80)         | 4 (80)         | 4 (80)          | 2 (40)         |                  |                   |
| Southern Mindanao  |                |                |                 | 3 (60)         |                  |                   |
| Central & Western Visayas  | 1 (20)         | 1 (20)         |                 |                |                  |                   |
| Northern Luzon   | 1 (20)         |                |                 |                |                  |                   |
|  | <b>6 (120)</b> | <b>5 (100)</b> | <b>4 (80)</b>   | <b>5 (100)</b> |                  | <b>20 (400)</b>   |
| <b>C. Existing Marine Sanctuaries under improved management (area in hectares)</b> |                |                |                 |                |                  |                   |
| Western Mindanao   |                |                | 7 (665)         | 4 (500)        | 11 (580)         | <b>22 (1,745)</b> |
| Southern Mindanao  |                |                |                 |                | 7 (160)          | <b>7 (160)</b>    |
| Central & Western Visayas  |                |                | 4 (183)         | 1 (40)         | 13 (280)         | <b>18 (503)</b>   |
| Northern Luzon   |                |                | 2 (72)          | 1 (20)         |                  | <b>3 (92)</b>     |
|  |                |                | <b>13 (920)</b> | <b>6 (560)</b> | <b>31(1,020)</b> | <b>50 (2,500)</b> |

The additional CRM and marine sanctuary targets for Years 2010 and 2011 will be determined on the third and fourth year of the project.

## VIII. IMPLEMENTATION SCHEDULE OF KEY ACTIVITIES

| Key Activities   | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|------|------|------|------|------|
| 1. Transitional and Preparatory Activities                     |       |      |      |      |      |      |
| 2. TA module development                                       |       |      |      |      |      |      |
| 3. LSP/DENR/BFAR training                                      |       |      |      |      |      |      |
| 4. Improved management of coastal areas:                       |       |      |      |      |      |      |
| • CRM/FRM plan implementation (in EcoGov 1 sites)              |       |      |      |      |      |      |
| • Assessment of expansion areas (including marine sanctuaries) |       |      |      |      |      |      |
| • CRM/FRM planning and implementation in expansion areas       |       |      |      |      |      |      |
| 4 Improved management of marine sanctuaries                    |       |      |      |      |      |      |
| • Implementation in EcoGov 1 sites                             |       |      |      |      |      |      |
| • Planning and implementation (new sites)                      |       |      |      |      |      |      |
| • Alliance building and network formation                      |       |      |      |      |      |      |
| • Annual monitoring and assessment                             |       |      |      |      |      |      |
| • Biennial marine sanctuary workshop                           |       |      |      |      |      |      |
| • Implementation of grants program                             |       |      |      |      |      |      |

| <b>Key Activities</b>  | <b>2004*</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> | <b>2008</b> | <b>2009</b> |
|--|--------------|-------------|-------------|-------------|-------------|-------------|
| 5. Pilot test of decision support tools and incentives systems             |              |             |             |             |             |             |
| • FISH BE  |              |             |             |             |             |             |
| • Blue Flag  |              |             |             |             |             |             |
| • Foreshore management   |              |             |             |             |             |             |
| 6. Conduct of studies/case documentation                                   |              |             |             |             |             |             |
| • Study on role of women in coastal governance                             |              |             |             |             |             |             |
| • Economic analysis of coastal zone options                                |              |             |             |             |             |             |
| • Documentation of good practices  |              |             |             |             |             |             |
| 7. Support to CRM policy studies (as programmed in Policy Sector workplan) |              |             |             |             |             |             |

\* Oct 1, 2004 to Dec 30, 2004

\*\* Up to Sept 30, 2009



**ANNEX 6.**  
**URBAN ENVIRONMENTAL MANAGEMENT (UEM) WORK PLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009)**

**I. INTRODUCTION**

In EcoGov 1, the project provided technical assistance to LGUs to improve on their governance and the delivery of the solid waste management services to their constituents and help them comply with the requirements of RA 9003. Focus of the assistance was on the formulation of integrated solid waste management (ISWM) plans but the project also supported and promoted the implementation of some doable activities. At the national and regional levels, EcoGov 1 undertook policy and information, education and communication (IEC) initiatives geared towards improved solid waste management enforcement and advocacy. Institutional capacity building was also pursued to enhance the capability and capacity of project partners in delivering governance-enhanced technical assistance to the LGUs.

EcoGov 2 UEM TA team will take off from the gains and momentum set by EcoGov 1. It will continue to assist LGUs in the completion and implementation of their respective ISWM plans. An added concern will be the improvement of the wastewater management systems of LGUs.

**II. OBJECTIVES**

The UEM sector responds to the urgent need to address the unmanaged solid and liquid waste problems that threatens public health and environmental sustainability. Its specific objectives are:

- To strengthen the capacities of DENR, LGUs and local institutions to improve the management of solid and liquid wastes, and
- To promote and assist LGUs in integrated waste management through effective environmental governance.

**III. TARGETS**

The targets for the sector are:

- **At least Twenty-five (25)%** of waste generated by **90 LGUs** diverted through recycling and composting by the end of Year 5. By Year 7, **100 LGUs** are expected to have achieved this level of waste diversion.
- **Twenty (20) LGUs** investing in waste water management (WWM) facilities by end of Year 5, with **6 additional LGUs** in the following two years.

Focusing on these targets diverts attention away from the real improvements in waste management practices. A set of performance targets are thus proposed for this

sector to show key LGU-led actions and best practices that lead to significant waste diversion and proper waste disposal management:

- **90 LGUs** with completed solid waste management plans and **40 LGUs** with wastewater management plans;
- **90 LGUs** with policies (ordinances) passed by their Sanggunian Bayan/Panlungsod (SB/SP) that (1) establish clear rules for waste management, (2) provide the appropriate incentives and penalties for households and commercial establishments to improve their waste management practices, and (3) establish income streams through fees, taxes or other charges for financing new investments in waste management infrastructure;
- **90 LGUs** that have committed support to strengthen the organization and expansion of the “informal” recycling and waste handling systems;
- **90 LGUs** with operational composting facilities;
- At least **5 LGUs** where, in response to organized social marketing campaigns, residents support new investments in waste management infrastructure, and households and commercial establishments in highly urbanized areas have effected modifications to the management of their wastes; and
- At least **40 LGUs** or clusters of LGUs with engineering plans for new waste management systems that may include controlled dumps, sanitary landfills, and wastewater treatment facilities.

Since the 25% diversion target is reflected in the contractual SOW, the UEM team will assist the LGUs establish the baseline for their total waste disposal and then periodically “measure” waste diversion. In accordance with RA 9003, the project will consider the 25% target waste diversion as the minimum level. The “measurement” will take two forms: (1) actual end-of-pipe measurements but this will be limited to a sample of LGUs, and (2) documentation of the results of specific actions taken by LGUs to effect waste reduction (e.g., composting, enforcement of ordinances, organization of the “informal” sector)

The UEM targets directly contribute to the Medium Term Philippine Development Plan’s (MTPDP) Thrust No. 4 (Environment and Natural Resources Sector) which pertains to the creation of a healthier environment for the population. To some extent, the sector supports Thrust No. 5, which addresses mitigation of natural disasters.

The UEM sector also support DENR’s Major Final Outputs (MFO) Nos. 1, 4 and 5 specifically the following objectively verifiable indicators: (a) pilot-tested schemes for public-private partnership, co-management and self-regulation developed and disseminated, (b) percentage of LGUs trained and oriented on environment and natural resources laws and regulations, (c) number of open dumpsites closed or converted to controlled dumpsites/sanitary landfill, (d) water quality of monitored water bodies complying with criteria for classification, and (e) clientele adopting environmentally sound technologies and indigenous technical knowledge.

#### IV. KEY STRATEGIES AND APPROACHES

To achieve the targets, strategies developed and tested in EcoGov 1 will be further refined and streamlined to be more efficient in generating the deliverables. The team will work with the DENR/Environment Management Bureau (EMB) to develop systems for improving the enforcement requirements of the Ecological Solid Waste Management Act (RA 9003) and the recently passed Clean Water Act (RA 9275).

The following are some of the key strategies that the UEM team will employ:

- 1. Concentrate early efforts on the 44 LGUs that participated in EcoGov 1, and assist these LGUs implement their legitimized waste management plans.** The 18 LGUs with legitimized plans will continue to receive technical assistance for the implementation of their ISWM plans. The 26 LGUs which are in various stages of plan formulation and legitimization shall receive technical assistance to carry out readily doable actions, while the ISWM plans are being completed and legitimized. Refer to Annex 3C for the list of these LGUs and the indicative timetable for technical assistance to these LGUs. Their location is in the UEM map in Annex 10.

The focus of implementation technical assistance to these LGUs will be on three areas, consistent with the general findings of the solid waste assessments done on 44 LGUs:

- a) the diversion of the biodegradable and recyclable wastes from the waste stream via composting and recycling. Biodegradable wastes comprise about 60% or more of the total waste generated by the LGU. The greatest opportunity for the LGU to achieve and even surpass the target diversion of RA 9003 is the application of composting for biodegradable waste of households, commercial areas and public markets. The team will develop the technical assistance modules that will support this focus and will assist the LGUs take the necessary actions, which will include intensive IEC and social marketing, the establishment of composting facilities, development of incentives systems, ordinance formulation and enforcement, the organization of the “informal sector”<sup>1</sup> and the strengthening of their SWM organization. The LGUs will likewise be assisted in putting into place systems that will help them monitor their waste reduction performance.
- b) the management of toxic and hazardous waste (THW). While these type of waste only composed a small percentage of total waste brought to the dumpsite, their improper disposal will have serious impacts on health and the environment. This will be supported by training, IEC campaign, support ordinances and the use of simple low cost technology.
- c) development and management of waste disposal sites. EcoGov 2 will provide assistance related to the assessment of waste disposal sites, development of engineering plans, assessment of their feasibility, evaluation of financing options, accessing financing, and establishment of charges and user fee systems.

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<sup>1</sup> This includes the junkshop operators, the itinerant buyers of scrap/waste materials and scavengers in dumpsites..

The implementation experiences in these LGUs should generate lessons that can be used as inputs to further refine TA modules for use in the new batches and clusters of LGUs that will be assisted by EcoGov 2. The team will document replicable success stories and best practices particularly in the areas of social marketing, enforcement of ordinances, private sector participation in waste management, THW management, and sustainable financing and share these with LGU leagues and its partners.

- 2. Undertake a systematic assessment of LGUs for wastewater management and initiate immediate actions.** A rapid assessment will be undertaken in selected LGUs to determine: (1) extent of wastewater management/sanitation problem; (2) interest of local chief executives (LCE) to pursue WWM project; and (3) support of the SB/SP to provide counterpart resources. The socio-physical aspect of the assessment will include sensory but mainly visual evaluation of major water resources, point and non-point sources of water pollution and feedback from users of these water resources. The results of assessment should lead towards the identification of options which the LGU may consider to improve its wastewater management as well as the formalization of the technical assistance agreement between the Project, DENR and the LGU.

EcoGov assistance on WWM will be tailored to the results of the initial analysis and of a more detailed assessment of the LGU's major water resources, their respective beneficial uses and key point sources of wastewater. Part of the assistance will be the analysis of options with respect to siting, establishment, and management of wastewater facilities, with consideration of private sector participation. Interested LGUs will be assisted in developing their investment plans and prefeasibility studies of potential investments in sanitation facilities as well as in accessing financing. The LGU's wastewater management plan will complement the LGU's solid waste plan.

Part of the strategy of EcGov 2 is to jumpstart the WWM project of the LGU once the MOA is signed with the implementation of doable actions which can be identified from the rapid assessment phase. One example is the enactment of an ordinance requiring regular desludging of septic vaults in households and establishments. Part of the ordinance will be the formalization of all desludgers to have their proper equipment, trained personnel and approved sites and methods for the treatment and disposal of the sludges. This can be made a prerequisite for the issuance/renewal of their business permits. For industrial effluents, the LGU can fast track the formation of a multisectoral water quality board as mandated by the Clean Water Act (CWA) to conduct monitoring and evaluation of industries discharging wastewaters to water bodies within the jurisdiction of the LGU.

In the 1<sup>st</sup> year of EcoGov 2, at least 3 LGUs will be selected for WWM technical assistance. Two of these priority sites will be the Blue Flag sites of the CRM sector.

3. **Apply both demand-driven and “opportunistic” approach to selection of new LGUs.** In selecting these LGUs, EcoGov 2 will give priority to those which show strong LCE commitment and strong legislative support from the SB/SP to provide counterpart funds.

Urbanized and urbanizing LGUs (at least 3<sup>rd</sup> class) will be targeted. The inclusion of small and rural municipalities (below 3<sup>rd</sup> class) will be considered if they are adjacent to EcoGov assisted LGUs and are willing to be part of a cluster of LGUs planning to share common waste management facilities. The clustering approach will provide an upscaling effect and will address siting and capacity problems currently being encountered by many LGUs which plan to set up sanitary landfills. Clustering of LGUs will also facilitate the delivery of technical assistance services.

EcoGov 2 will also consider for inclusion those in National Solid Waste Management Commission’s (NSWMC) list of 48 model LGUs which were not covered in EcoGov 1. These could serve as the core for some LGU clusters. The engagement of additional 46 new LGUs for SWM technical assistance will start towards the end of the 2<sup>nd</sup> year.

4. **Promote private sector participation in waste management. The private sector can participate in waste management in various ways.** The Project will provide opportunities for LGUs to analyze existing and potential roles of the private sector in waste management, determine how best to harness this sector to improve waste management, and to interact with potential investors and financing sources. The LGUs shall be assisted in developing incentives and other come-ons that will encourage private sector involvement and investments in waste management and specific assistance directed towards improving private sector waste management operations.

The informal sector, such as junk shops, play an important role in the recovery and trading of recyclables in most LGUs. Assistance will be provided to analyze existing informal waste collection systems and determine how these operations can be strengthened, expanded and improved (e.g., organizing them into cooperatives or associations in order to standardize pricing, processes to meet market specifications and trading procedures). For wastewater, a similar analysis will be made on the role of water districts in providing sanitation services.

Procurement of waste management services and equipment will be strengthened and be made more transparent with the strict implementation of RA 9184. This will attract more private sector participation. Transparent competitive bidding will also result in more efficient use of resources of the LGU.

5. **Promote the use of public advocacy social awareness campaigns to strengthen public support for improved waste management.** The project will demonstrate the use of local social marketing campaigns to improve the general public’s understanding of solid and liquid waste hazards and their corresponding mitigation measures, and to improve compliance with waste management ordinances and laws. The objective of these campaigns will be to enlist public

support for improved waste management. These campaigns will be based on a social marketing research which will be undertaken by the project in selected LGUs. The research-based campaigns in the pilot LGUs will allow the replication of the strategies and IEC products in other LGUs which have similar socio-cultural features.

6. **Engage more individual and institutional local service providers (LSPs).** To widen the project's reach and enable it to immediately respond to the LGUs' demands for assistance, EcoGov 2 will engage more LSPs. Potential individual and institutional LSPs will be identified and trained on the SWM/WWM planning and implementation processes before their deployment to LGUs. An accreditation system for service providers will be developed and implemented to maintain quality of service to LGUs. The team will consider a better balance between male and female LSPs (and Assisting Professionals) in this phase than in EcoGov 1.
7. **Strengthen networking and collaboration with partners.** The project will build upon the accomplishment of the USAID-funded Local Initiatives for Affordable Wastewater Project (LINAfW) project as well as related projects of other donors such as Fostering Resolution of Water Resource Disputes (FORWARD) of USAID, Southern Mindanao Integrated Coastal Zone Development Project (SMICZDP) of the Japan International Cooperation Agency (JICA) and Ecological Sanitation (EcoSan) Project of the German government. It will continue to collaborate with the EMB and the Mines and Geosciences Bureau (MGB) of the DENR, Department of Health (DOH), LGU leagues, the Solid Waste Management Association of the Philippines (SWAPP), Provincial Government ENROs and environmental NGOs. Information exchange, joint conduct of capacity building and other complementary activities will be the focus of this strategy. This will enhance the upscaling effort of the project to reach out and share the benefits of the technical assistance to other LGUs outside the EcoGov 2 coverage area.
8. **Continue policy and advocacy support to DENR and the NSWMC.** The issuance of guidelines for the evaluation and approval of solid waste plans, waste disposal sites and for the clustering of LGUs for purposes of sharing common waste management facilities will be pursued. The rationalization of the targets and deadlines under RA 9003 and its implementing rules and regulations (IRR) as well as the clarification of key provisions of the CWA will be given priority. Gaps in the IRRs of RA 9003 and CWA will be identified and recommendations for filling these gaps will be developed. Technical inputs generated from the results of delivery of waste management technical assistance to LGUs will serve as basis for other relevant policy and advocacy initiatives such as incentive system, Blue Flag certification, wastewater management, THW management, and conflict resolutions .
9. **Collaborate with the Project's other sectoral team to demonstrate the implementation of innovative waste management support systems.** Through a joint undertaking between the CRM and the UEM sectors, the team will help explore the potential of establishing the Blue Flag system in selected coastal tourist zones within the project areas. As mentioned, two of the initial WWM sites will require complementary efforts of the two sectors. This

complementation reflects the interconnection of the UEM and CRM as the seas and oceans are the ultimate destinations of all waters draining from the watershed where the LGU is located. The Blue Flag site will be evaluated in terms of its water quality then this is matched with the water quality standards for the intended beneficial uses of the site – tourism, contact recreation, fish sanctuary, etc. The results of this activity will provide the basis for interventions on the major wastewater sources to at least maintain the beneficial uses of the coastal area designated as a blue flag site. In the evaluation of the water resources of the LGU, the flow and water quality of headwaters of rivers and perennial streams and the areas for groundwater recharge are the complementation areas with the FFM sector. These are the primary sources of water of the LGUs and these must be protected and even enhanced to sustain the growing water needs of the population, industries and other establishments.

The UEM sector will also work closely with the project's LGU Revenues and Access to Financing (LRAF) team to identify and promote private sector participation in waste management infrastructure. This may include arrangements with the Water Districts to provide adequate sewerage system and sewage treatment facilities in addition to water supply. It may also include recommending and crafting incentives for other private groups interested to pursue wastewater management related projects in the LGU.

## V. PROGRAMMED TARGETS

**Table 1. Regional Targets for UEM: 2004-2009**

| Region             | ISWM Targets         |                                  |                |           | WWM Targets         |
|--------------------|----------------------|----------------------------------|----------------|-----------|---------------------|
|                    | With Completed Plans | With Ongoing Planning Activities | EG 2 New Sites | Total     |                     |
| Northern Luzon     | 5                    | 6                                | 9              | 20        | 5                   |
| Central Visayas    | 6                    | 14                               | 9              | 29        | 13                  |
| Southern Mindanao  | 4                    | 4                                | 17             | 25        | 15 (including ARMM) |
| Western Mindanao   | 3                    | 2                                | 11             | 16        | 7                   |
| <b>GRAND TOTAL</b> |                      |                                  |                | <b>90</b> | <b>40</b>           |

The annual targets for ISWM and WWM are shown below.

**Table 2. Annual Targets for UEM**

| 2005  | 2006 | 2007 | 2008 | 2009 | Total     |
|---|------|------|------|------|-----------|
| <b>A. LGUs diverting at least 25% of waste through composting and recycling</b> |      |      |      |      |           |
| 18  | 22   | 20   | 15   | 15   | <b>90</b> |
| <b>B. LGUs investing in waste water management facilities</b>                   |      |      |      |      |           |
| 3   | 6    | 5    | 4    | 2    | 20        |

Additional LGUs for technical assistance on the 6<sup>th</sup> and 7<sup>th</sup> year will be determined by Year 3.

## VI. IMPLEMENTATION SCHEDULE OF KEY ACTIVITIES

| Activities   | Schedule |      |      |      |      | 2009 |
|--|----------|------|------|------|------|------|
|  | 2004*    | 2005 | 2006 | 2007 | 2008 |      |
| <b>1. Transitional and Preparatory Activities</b>  |          |      |      |      |      |      |
| Preparation of EcoGov 2 Work Plan  |          |      |      |      |      |      |
| Scoping for LSPs, preparation of SOWs, recruitment and training  |          |      |      |      |      |      |
| Signing of EcoGov 2 MOAs   |          |      |      |      |      |      |
| <b>2. Development of Training Modules</b>  |          |      |      |      |      |      |
| SWM Site Evaluation Methods  |          |      |      |      |      |      |
| Toxic and Hazardous Waste Management   |          |      |      |      |      |      |
| Water Resources and WWM Orientation  |          |      |      |      |      |      |
| Water Resources and WW Assessment  |          |      |      |      |      |      |
| Wastewater management planning   |          |      |      |      |      |      |
| SWM Assessment Methods incl EOP measurements (refinement)  |          |      |      |      |      |      |
| Composting technologies  |          |      |      |      |      |      |
| <b>3. Rapid assessment of WWM LGUs</b>   |          |      |      |      |      |      |
| <b>4. Technical Assistance to LGUs on ISWM</b>   |          |      |      |      |      |      |
| Completion and legitimization of ISWM plans (24 LGUs)  |          |      |      |      |      |      |
| ISWM plan preparation and legitimization (46 new LGUs)   |          |      |      |      |      |      |
| Implementation TA to LGUs  |          |      |      |      |      |      |
| <b>5. Planning and Implementation TA on WWM</b>  |          |      |      |      |      |      |
| <b>6. Piloting of Blue Flag system (S. Mindanao and C. Visayas)</b>  |          |      |      |      |      |      |
| <b>7. IEC and Social Marketing</b>   |          |      |      |      |      |      |
| Social marketing research (5 sites)  |          |      |      |      |      |      |
| Development and implementation of campaigns  |          |      |      |      |      |      |
| Social impact assessment   |          |      |      |      |      |      |
| Documentation of good practices  |          |      |      |      |      |      |
| Production of primers and other info materials (WWM, THW, Clean Water Act, others)                           |          |      |      |      |      |      |
| <b>8. Networking and Collaboration with partners- DENR, NSWMC, DOH, Leagues, SWAPP, NGOs, other projects</b> |          |      |      |      |      |      |
| <b>9. Policy support</b>   |          |      |      |      |      |      |

\* Oct 1, 2004 to Dec 31, 2004



**ANNEX 7.**  
**LGU REVENUES AND ACCESS TO FINANCING WORKPLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009)**

**I. INTRODUCTION**

Local government units (LGUs) are confronted with urgent needs for improved environmental governance that must be addressed through viable financing sources or long-term investments in key areas. Notwithstanding their limited resources, LGUs must explore new ways to finance integrated solid waste management systems, and address threats to marine and forest resources, among others. Traditional sources, comprised mainly of the Internal Revenue Allotment (IRA) (which on average represents 2/3 of total revenues for municipalities), have been the main source of funding for development projects. However in relation to the concerns/projects that normally compete for funding within an LGU, environmental management projects are generally given least priority.

Even the capacity of LGUs to raise financing and implement projects in general is constrained by the following factors, among others:

- *Accounting and financial reporting systems of LGUs are deficient.* It is difficult for LGU-managed projects to be self-sustaining when separate accounting and financial reporting systems are not maintained.
- *Local leaders are reluctant to finance long-term projects, raise tariffs or apply user fees.* Local political leaders face 3-year election cycles and, generally, focus on projects that are politically expedient and yield immediate returns.
- *Debt service cap limits the ability of LGUs to raise financing for competing priorities.* Under the Local Government Code (LGC), 20% of an LGU's regular income (including IRA) can be used for debt service. This cap limits the amount of debt LGUs can raise for environmental management projects.
- *Certain regulations effectively block private commercial banks from lending to LGUs.* LGU deposits are restricted to Government Financial Institutions (GFIs) under Bangko Sentral ng Pilipinas (BSP) and Commission on Audit (COA) rules. Consequently, private commercial banks are unable to intercept IRA funds as security for LGU loans in the same manner as GFIs. Also, they have not been able to learn about the financial position of LGUs or gain experience in financing LGU projects.

Taking these issues into account, the Project will help partner LGUs mobilize requisite financing from a range of alternative sources (see Table 1) so that proper management of solid waste, forests and coastal resources can be sustained.

**Table 1. LGU Financing Alternatives**

| Traditional Sources<br>(External and Internal)   | Bank<br>Borrowings                        | Private Sector<br>Participation                   | Privatization           | Other or New<br>Financing Schemes                            |
|--|---|---|-------------------------|--|
| IRA/Share in National<br>Wealth  | Loans from<br>GFIs/donor<br>organizations | BOT type<br>contractual<br>arrangements           | Concession              | User fees for<br>environmental<br>management projects        |
| Tax Revenues from<br>real property and<br>business taxes                               | Loans from<br>private<br>commercial banks | Joint venture<br>arrangements                     | Divestment of<br>Assets | Special grants, trust<br>funds                               |
| Non-tax Revenues<br>from receipts from<br>economic enterprises<br>and fees and charges |   | Management<br>agreements and<br>service contracts |                         | Endowments funds,<br>voluntary private<br>sector investments |
| Local/foreign grants,<br>and aid   |   |   |                         | Bond issuance  |

Through this sector, EcoGov 2 will help fulfill the devolution process provided under the LGC and encourage LGU autonomy by helping partner LGUs explore the range of financing options and systematize the allocation of development funds for priority projects rather than depend on national government agencies. The need to pursue PSP as a viable financing and implementation strategy is underscored by the generally limited financial resources and technical capacity of LGUs. It should be noted that while the Clean Water Act and Solid Waste Management Act enable LGUs to assess and collect user fees and pollution charges that can provide additional revenues, these are insufficient to cover the massive investments required by these laws in new infrastructure (estimated at P400 billion in new sanitary landfills and wastewater systems). Given the government's budget deficits, the national budget will not be a significant source of financing for LGU projects.

The thrusts and specific strategies in the MTPDP (Environment and Natural Resources) that the LGU Finance Sector will support are:

**Thrust No. 1:** Sustainable and more productive utilization of natural resources to promote investments and entrepreneurship

- Promote the lease/rental of open forestlands and foreshore areas to investors and entrepreneurs; develop a system of marketing and appropriate pricing for these areas.
- Create a climate conducive for investments and production;
- Promote investments in permanent production forest areas;

**Thrust No. 2:** Focus and strengthen the protection of vulnerable and ecologically fragile areas

- Develop water user fee and plowback mechanism for forest protection and management of protected areas;

### **Thrust No. 3: Create healthier environment for the population**

- Provide technical assistance to LGUs on: closure and/or conversion of 868 open dumpsites to controlled dump facilities; construction of 14 sanitary landfills/waste processing facilities; complete the implementation of LGU-wide integrated waste management system (segregation and collection at source, materials recovery facilities, recycling and composting) in 48 model sites to serve as model for other LGUs;
- Assist LGUs in providing storage facilities and markets for compost and recyclable materials.

## **II. OBJECTIVES AND TARGETS**

### **1. Objectives**

In relation to the SOW targets, the major objectives of the LGU Finance Sector are as follows:

- In coordination with the UEM sector, help LGUs develop and package specific projects on solid waste and wastewater management.
- In coordination with the FFM sector, help LGUs raise financing to enlarge forest cover under improved management and expand tree plantations and agroforestry crops.
- In coordination with the CRM sector, help LGUs raise financing to expand the coastal areas under improved management and support networks of marine sanctuaries.

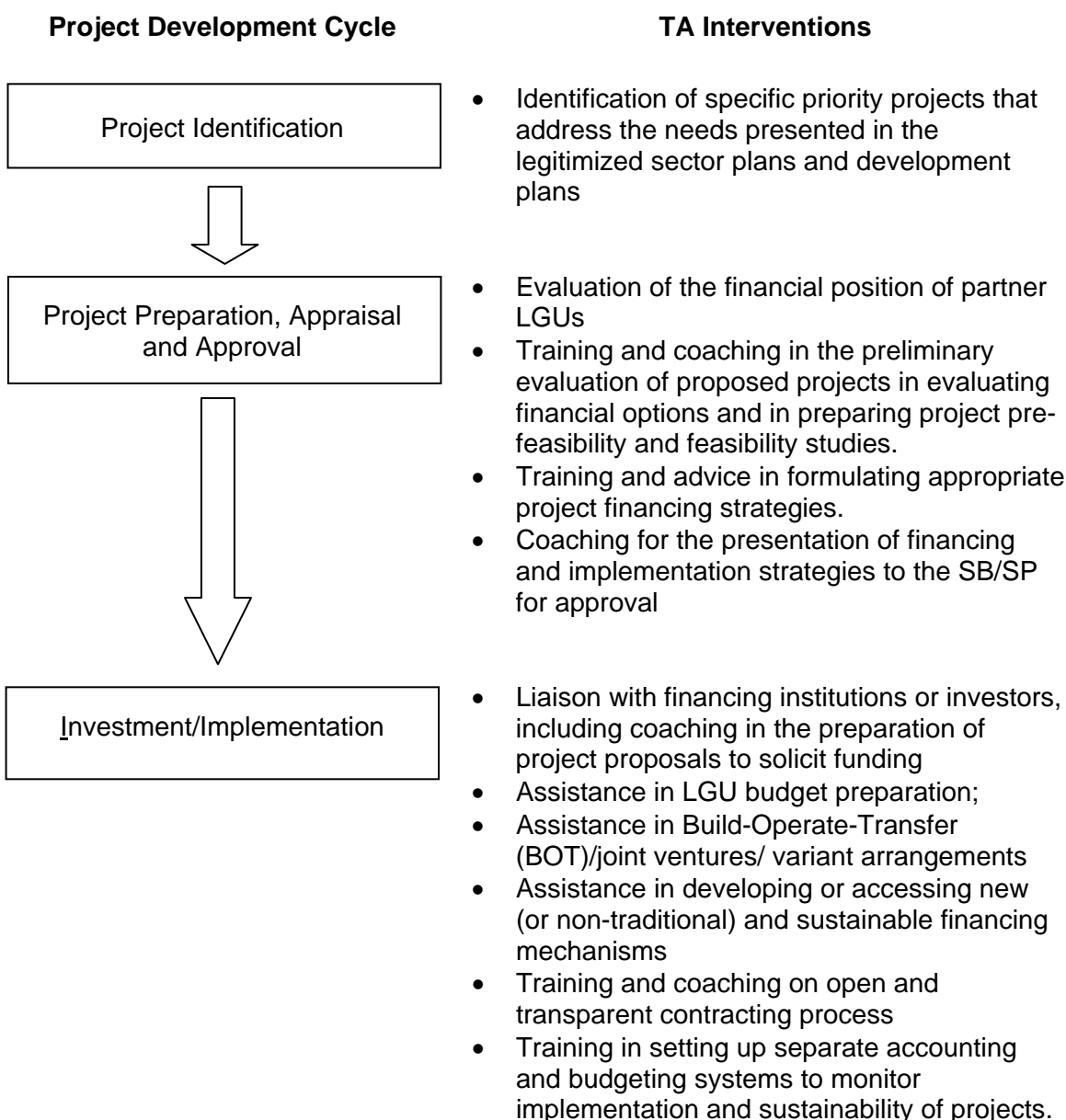
### **2. Targets**

- For the UEM sector, the target is **20 LGUs** investing in sanitation facilities within 5 years, with an additional 6 LGUs in the succeeding two years. This means that the assistance to the WWM LGUs should lead to actual investment and physical construction or installation of the facilities.
- For the SWM component of the UEM sector, actual investments in 90 LGUs in composting facilities **as these are vital to the Project's waste diversion strategy**. For controlled dumps and sanitary landfills, as a minimum, Sanggunian Bayan/Panlungsod approval of the strategies to finance and implement the projects.
- For targeted projects of the FFM and CRM sectors, as a minimum, Sanggunian Bayan/Panlungsod (SB/SP) approval of the strategies to finance and implement the projects.
- Demonstration projects for each sector, e.g., user fee system for watershed management, incentive system in Blue Flag sites, PSP in waste management, inter-LGU collaborative arrangements for shared waste management facilities.

The experience in selected projects will be documented to improve or facilitate succeeding project development activities.

### III. KEY STRATEGIES AND APPROACHES

The basic framework for the technical assistance to targeted LGUs shall follow the basic procedure for each project (project development cycle) set forth below:



In relation to this framework, the following strategies will be followed in providing assistance to LGUs:

**1. Starting with LGUs with legitimized plans, assess the kind and extent of technical assistance needed that will lead to actual investments in forest, coastal resources, solid waste and wastewater management.** EcoGov LGUs will be evaluated to determine their development and investment needs, level of preparedness and capacity to raise capital and implement UEM, FFM or CRM projects. The review or assessment will specifically look at:

- Municipal/city development plan and annual investment plan;
- Legitimized plans in relation to SWM, WWM, CRM, or FFM;
- IRA capital resource allocation process;
- Financial position, debt-servicing capacity, and quality of financial management based on, among others:
  - Department of Finance/Bureau of Local Government Finance (DOF/BLGF) benchmarks;
  - Statement of Income and Expenditure, and Budget Operations Statement;
  - Track record of paying financial obligations on time and in full;
  - Ability to raise revenues from fees and taxes;
  - Tariff setting or cost recovery mechanisms in place, if any, for basic services;
- Credibility of local administration to follow through with its projects.

The assessment will determine the capacity of LGUs to set aside internal resources (particularly for WWM, CRM and FFM projects that are non-income generating) or source financing externally. Assessment findings and initial recommendations on how the resources of the LGU can be optimally allocated in relation to economic benefits and costs of a proposed project will be discussed with the concerned LGU.

The assessment will help the technical assistance team to prioritize projects and LGUs, identify those which have potential to attract prospective creditors, joint venture partners, service providers, or BOT project proponents, and define the scope of technical assistance that can be extended to these individual LGUs.

**2. Assist LGUs develop prefeasibility analysis and investment plans of their projects.** It will not be possible for the project to help all LGUs carry out the full range of activities leading to investment and site development or physical construction or installation of the facilities. To enable the Project to do a systematic screening of projects, easy-to-use toolkit will be developed for the use of LGUs, with assistance from LSPs, in the initial appraisal of their proposed projects. The Team will prepare guides, templates and illustrative examples and will train local staff on their use:

- A financial model for preliminary appraisal of the financial viability of the proposed project. Using estimated requirements for capital outlays and O&M expenses, and revenues, the model will determine the expected financial rates of return to the LGU or private operator. LGUs can then classify proposed projects

as income generating or non-income generating. Income generating projects will be ranked according to degree of financial viability, while non-income generating projects will be ranked according to LGU necessity.

- A budget impact analysis model to assess the proposed project's impact on the LGU's recurrent and investment budgets. This will help determine if the project is affordable and sustainable.

Part of the assistance to LGUs will be an orientation on various financing options, highlighting the pros and cons of each. See list below; also refer to Table 1.

- Internally generated cash flow of LGU
- LGU borrowing from GFI/ODA or private sector
- PSP/BOT contractual arrangements
  - Service contract, management contract, or concession arrangement;
  - BOT contract;
  - Joint venture arrangement with a private sector group (which may apply to such projects as tree plantation development, mariculture, eco-tourism); or
  - Divestment or the outright sale of a locally-owned enterprise to a private entity (which applies to sewerage and sanitation activities, and garbage collection and disposal, including waste recycling and sanitary landfill operations).

Given the results of the previous assessment, the Team will provide advise to LGUs on choosing the best option for their project and assist them in developing the financing strategy that will be presented to SB/SP for approval.

The LGU training will include as participants the municipal/city development planning and budget officers.

**3. Assist LGUs identify new and sustainable financing mechanisms for environment and natural resource management projects.** This will include local revenue sources, environmental user fees, revolving or pooled funds, private financing and grant mechanisms. This would involve assistance to LGUs in the following areas:

- Assess the potential to develop new income sources from environmental services, such as solid-waste and wastewater collection and treatment, and determine whether these revenues will cover operation and maintenance costs. The feasibility of setting up facilities for the composting of biodegradable waste will be studied.
- Assess the possibility of establishing alternative income sources that strengthen initiatives for forest rehabilitation and protection. The project will assist in structuring agreements with LGUs and DENR, particularly in relation to contractual provisions that allow the private sector to develop forest plantations, eco-tourism, or undertake any activity in return for rentals and fees that the LGUs would use to finance infrastructure, services, and investments in forest rehabilitation.

- Provide recommendations to LGUs on how to improve revenues through the issuance of fishing permits or collection of user fees and taxes for commercial fishing in municipal waters. New sources of financing for coastal resources management will also be identified.
- Assist in the drafting of ordinances by helping in the determination of user fees, surcharges, fees for licenses or permits, and tenure utilization rights, as well as penalties for violating laws; and in defining the procedures involved.

As part of a resource planning process, the project will also help willing LGUs develop realistic budgets and carry out analyses to determine how costs can be covered through existing or new sources of revenues. Strengthening the capacity to develop realistic budgets will reinforce the need to strengthen the collection of fees and revenues from licenses, permits, and penalties.

**4. Assist LGUs develop and carry out plans for mobilizing the financing for projects.** The assistance will give priority to sanitation projects. This may include the following:

- Assistance in the preparation of project proposals to access available lending facilities or grants; liaison with financing or grant institutions.
- Help LGUs enter into financing or privatization agreements with the private sector (service contract, management contract, concession agreement, BOT contract, joint ventures).
- Assistance in the conduct of an open and transparent contracting process in accordance with the Local Government Code, Philippine BOT Law and Government Procurement Reform Act, among other national laws.
- Drafting of necessary ordinances.
- Helping structure collaborative financial arrangements between LGUs to create capital-intensive projects, such as sanitary landfill projects;
- Helping LGUs to identify and develop additional revenue streams needed to finance projects;
- Identifying opportunities to build public-private partnerships for the development or management of waste management infrastructure. Help LGUs implement public-private participations that conform to established approaches for private sector participation in municipal infrastructure construction and management.
- Working with other donor projects, help LGUs take advantage of innovative approaches to secure financing for waste management infrastructure.

**5. Assist in finding ways to develop new or non-traditional financing sources.** This may cover the following activities:

- Encourage voluntary investment from the private sector. For coastal resources management, this approach may involve the “Blue Flag” system that rates the pollution status of major resort areas and beaches around the country. (In southern Europe, this system has stimulated significant investments by the tourist industry in sanitary landfills and sewage systems). Also, the Team may assist in a social marketing campaign that publishes a listing of the top polluting corporations, including the estimated cost of damage to the environment and public health. This approach could be used to stimulate investments in

wastewater and solid waste management infrastructure by the identified industries in partner LGUs. Also, schemes such as endowment funds from the private sector for forest rehabilitation activities will be explored.

- Identify and access special grants or trust funds, such as the Tropical Forest Conservation Trust Fund.
- Monitor efforts to develop a municipal revolving fund for water (under a collaborative effort between USAID and JBIC), and analyze the potential to expand this fund to encompass financing for wastewater and sanitary landfill infrastructure. Where interest and potential exists, the Team will help selected municipalities prepare plans and supporting documents needed to meet the requirements to access this facility. Other new financing facilities will also be similarly explored.
- Assess any opportunities for partner LGUs to raise capital through the issuance of municipal bonds in the domestic capital markets for projects of the sector teams.

**6. Training of LSPs and other partners.** The sector team will have to provide direct technical assistance (training and mentoring) to the initial batch of LGUs. But the key strategy to maximize the ability of the Project to assist (and over time extend its reach beyond) the targeted LGUs is to train local service providers (LSPs) and other partners (e.g., provincial governments, local academic institutions) so they can be deployed to service specific municipal/city LGUs. Training will involve a range of modules which will be developed by the technical assistance team, including those set forth below, to facilitate the project development cycle for LGUs.

For activities relating to project preparation, appraisal and approval, modules on:

- LGU financial capacity;
- Budgetary impact of projects arising from legitimized plans using spreadsheet models;
- Financial viability of specific projects based on analytical spreadsheet models customized according to the sector or project type.

For activities relating to investment and implementation, modules on:

- Procurement process with emphasis on public tendering;
- Contractual arrangements required by financing institutions or investors;
- Determination of user fees to be supported by local ordinances
- Setting up separate accounting and budgeting systems
- Procedure to access new and sustainable financing mechanisms

**7. Contribute to policy recommendations to encourage appropriate PSP arrangements.** A key factor to ensure the sustainability of the Project's activities over the long-term is the entry of the private sector to contribute needed financial resources and technical expertise/technology for improved environmental management. The experiences and results of efforts to develop and implement



sustainable financing mechanisms will be synthesized and used to recommend policy changes to create viable opportunities for PSP that are consistent with good environmental management practices.

## V. IMPLEMENTATION SCHEDULE

| Key Activities   | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|------|------|------|------|------|
| 1. Preparatory activities  |       |      |      |      |      |      |
| 2. Analysis of constraints and opportunities in mobilization of financing  |       |      |      |      |      |      |
| 3. Evaluation of partner LGUs to determine needs, capacity and commitment to implement projects  |       |      |      |      |      |      |
| 4. Review of legitimized plans; evaluation of pipeline of proposed projects; prioritization and determination of level of assistance to each LGU/project   |       |      |      |      |      |      |
| 5. Development of training modules for LSPs and LGUs   |       |      |      |      |      |      |
| 6. Development of guides/manuals on user fees, incentives systems and other sustainable financing schemes  |       |      |      |      |      |      |
| 7. Recruitment and training of LSPs and other partners   |       |      |      |      |      |      |
| 8. Training and assistance to LGUs in project development activities, investment planning and financing <ul style="list-style-type: none"> <li>• UEM Projects</li> <li>• FFM Projects</li> <li>• CRM Projects</li> </ul> |       |      |      |      |      |      |
|  |       |      |      |      |      |      |
|  |       |      |      |      |      |      |
| 9. Monitoring of the development of new financing mechanisms; explore new ways to raise financing from private sector, donors  |       |      |      |      |      |      |
| 10. Assist in establishment of demonstration/pilot projects and document experiences and lessons learned in sustainable financing  |       |      |      |      |      |      |
| 11. Coordinate with other USAID and donor projects; information sharing  |       |      |      |      |      |      |
| 12. Develop policy recommendations to attract PSP  |       |      |      |      |      |      |

\* Oct 1, 2004 to Dec 31, 2004



**ANNEX 8.**  
**GOVERNANCE, ADVOCACY AND CAPACITY BUILDING WORKPLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009**

**I. INTRODUCTION**

The journey towards local environmental governance is an extremely difficult one for the LGU and its local partners. Local environmental problems are socially explosive. Policies overlap and because of this, they often overwhelm local actors. The technical tools to address problems are not within easy reach. New investments are required, but the gains are not usually seen during the term of office of elected officials.

What can be done?

First, local governments can creatively tap the social capital within the locality. This involves building robust partnerships with civil society organizations, business, local counterparts of national agencies and citizens in general—to do the job together.

How can partnerships become attractive and viable? Given resource constraints, a participatory process for planning and implementing programs is vital. Doing it with transparency and accountability makes it more worthwhile for citizens. Each local actor will also need to know how to engage each other better in a joint endeavor. Moreover, human resources need to be tapped optimally through better LGU based organizations.

Second, to get the support of their constituents, LGUs must wage effective communication campaigns, with the goal of influencing behaviors and making them “friendly” to the environment. Social marketing is necessary to sell LGUs’ social products, such as waste segregation, the idea of marine sanctuaries and the benefits of forest land use planning.

The constituents, on the other hand, must be able to build coalitions. Through civil society organizations as well as media, they can carry out advocacy efforts to put pressure on local policy- and decision-makers to ensure good governance in the delivery of environmental and other services.

Third, the LGU will require the continuing support of enabling policies and technical support programs of national government. Also, to assure LGUs that they are doing the right thing and that they are not alone, they need positive reinforcement from peers. The Leagues of LGUs provide the venue for sharing and recognizing good practices/success stories, information, training and policy advocacy.

Fourth, given resource constraints, local actors need to know if they are being effective. What small victories are being made which should be celebrated to heighten and sustain enthusiasm of partners? What are the weaknesses and gaps that should be addressed in a timely manner?

LGUs and their citizen partners need a practical means of measuring the extent to which the LGU is delivering environmental services. They will also want to know the

manner in which this is delivered in terms of level of transparency, accountability and participation

## **II. OBJECTIVES**

The following are the objectives of the sector:

1. At the LGU and local partner's level, provide planning and organizational assistance to enable them to implement locally set plans and targets for CRM, FFM, and UEM. Specifically, to work with:
  - . LGUs and their local partners to prepare and implement research-based IEC campaigns that :
    - o influence behavioral patterns of residents, commercial operators and public market managers in the way they manage their waste
    - o support local multisectoral action to confront illegal activities in municipal waters, and forests.
  - . Civil society organizations (and POs, whenever and wherever appropriate) to strengthen advocacy initiatives to enhance relevance and sustainability, including gender sensitivity, of policies and practices of LGUs and local technical partners
  - . LGU based environmental bodies (statutory multi-sectoral bodies and implementing units) to craft their service oriented plans and protocols.
2. At the level of National Government partners, Support Networks and Service Providers
  - . Provide planning and organizational assistance to frontline DENR offices and other pertinent offices (e.g., DA-BFAR and NCIP) that provide technical services directly complementing the implementation of LGU-led programs.
  - . Work with relevant Leagues of LGUs and other local governance oriented networks in accelerating sharing programs for good practices (including those facilitated by the project) as well as policy reform advocacy for local environmental governance.
  - . Capacitate local service providers who can provide relevant continuing training support to LGUs beyond project life.

3. Develop and apply a governance index for EcoGov 2 assisted LGUs and their partners. The index will enable them to measure the level that the LGU is delivering basic environmental services in coastal resource management, forest management, and solid waste management and sanitation in a manner that is transparent, accountable and participatory.

### III. STRATEGIES AND APPROACHES

#### 1. Support the advocacy roles of actors in line with the concept of “reciprocal advocacy “

The actors in local environmental governance are the LGUs and their partner citizen and civil society groups; national government agencies and LGU based networks and alliances.

Partnerships take time to happen. Actors have varying “learning curves.” Each has its own pace of going through the stages of becoming aware, becoming concerned and deciding to act. Therefore each of these actors has an advocacy agenda addressed to each other. This is reciprocal advocacy. EcoGov 2 aims to help the actors craft and convey their messages to each other more effectively.

Below is a description of the sources and target receivers of advocacies in environmental local governance and illustrative messages that may be conveyed. Refer to Figure 1 in the main report for the schematic presentation of the interactions involved. Table 1 is a summary of sources and receivers of messages in the arena of solid waste management which is used here as example.

**Citizens’ advocacy (to their LGUs)** In between the processes of elections, citizens express their sovereign will by being involved in participatory processes (e.g., statutory multisectoral development councils). Through civil society organizations, they clamor for relevant and sustainable LGU programs.

This clamor resonates nationwide through Networks of civil society organizations. These networks support the advocacy initiatives of their constituent CSOs for increased relevance and sustainability of LGU programs.

EcoGov 2 will work largely with sub-national and local CSO networks to provide training and sharing of good practices among member CSOs. This will focus on how the LGUs’ partner CSOs can more effectively advocate for more relevant and sustainable environmental programs. This will be achieved largely through substantive citizen participation as well as transparency and accountability in decision making.

**LGUs advocacy (to its Citizens).** LGUs on the other hand are continuously seeking for better ways to reach out to its citizens for their support to implementation of local programs.

In an LGU setting that seriously involves citizen participation, there are always enthusiastic volunteers (teachers, NGOs, schools etc.) for IEC efforts. Experience shows however only a few IEC programs are usually successful.

EcoGov 2 will assist LGUs craft and mobilize effective IEC programs through back up training and information support to LGU based IEC teams.

EcoGov 2 will work with a selected number of LGUs to test and demonstrate innovative communication strategies that support household and community level resource management by local stakeholders. Innovative IEC will also support multisectoral actions that address illegal activities in municipal waters and forests.

The principles and strategies of social marketing (e.g., market research, segmentation, positioning, etc.) will be incorporated in the IEC programs of selected interested LGUs working on solid waste management issues. This is to increase socially beneficial behaviors by appealing to peoples self interest.

**LGU advocacy to National Government and Peer LGUs through Leagues and Networks.** Targets are Leagues of LGUs, inter-LGU alliances and multisectoral theme oriented networks as well as civil society organizations, and special interest groups with related agenda. Through them, common issues are ventilated; limited resources synergized and good practices recognized and shared.

**Table 1. Preliminary lists of Leagues and Networks that may be assisted on a demand driven basis**

| <b>Group</b>                            | <b>Name of Group</b>  |
|---|---|
| Leagues of LGUs                         | League of Municipalities<br>League of Cities<br>League of Provinces<br>League of Barangays  |
| LGU oriented professional organizations | League of Local Planners<br>League of MENROs<br>League of Information Officers  |
| Inter LGU alliances                     | Bay wide alliances (e.g. Ilana Bay, Sibugay Bay )<br>Solid Waste Mgt clusters ( e.g. Metro Tagbilaran )<br>Watershed Mgt Clusters |
| Multisectoral Theme oriented alliance   | Solid Waste Association of the Philippines<br>Phil Watershed Management Coalition<br>National Marine Alliance (??)                |
| CSO Networks                            | Federation of CBFM POs ( Mindanao )<br>Federation of Marine Sanctuary Networks)   |

| Group        | Name of Group  |
|--------------|--|
|              | Federation of FARMCs<br>Environmental NGO networks in Mindanao<br>Education Networks<br>Local Business and Industry Chambers<br>Population-Health–Environment networks |
| Media Groups | Bantay Kalikasan, PIA, KBP   |

EcoGov 2 will provide planning and organizational assistance and relevant training support to interested partner organizations such as those above. The aim would be to accelerate and sustain what they are already doing well in support of local environmental governance and where appropriate, to test and mobilize new services to member LGUs CSOs.

Specific interventions would include development of environmental service programs including the strengthening of national sharing events. It will also include resource mobilization strategies to underwrite and sustain such service programs and training and information support for secretariat.

**National Government Agency Advocacy to LGUs.** As part of their Major Final Outputs, the DENR and DA-BFAR advocate for increased LGU investments in environmental management.

But what is the nature of present-day LGU needs that line agencies must respond to? In the desire to be self-financing, LGU-led interventions will try out unconventional approaches. This is to stimulate responsible private investments by farmers, fisher folk or business (example: tenure agreements in Nueva Viscaya’s proclaimed or “no touch “watersheds ).

In collaboration with ongoing capacity building initiatives of partner national agencies, EcoGov 2 will assist selected frontline offices (e.g., DENR CENRO, DA–BFAR units) to organize improved technical support under resource constraints to LGU-led environmental programs.

In the case of the DENR for instance, the task at hand is for DENR local offices to become active LGU partners in the search for new, “self help” solutions to old problems in the locality.

Specific interventions will include assistance to selected CENROS in analyzing LGU needs; crafting service oriented programs. EG2 will also work with DENR identify immediately doable interventions that provide non monetary incentives for improved services. The experience from this exercise will be shared nationally with the other CENROs of the DENR.

**Table 2. Sources, target audience and illustrative advocacy messages in promoting local governance nationwide (Example: Solid Waste Management)**

| Source of message          | Receiver of message                          | Illustrative Message to receiver  | Illustrative Communication Strategy   |
|----------------------------|--|---|---|
| LGU                        | Its own Citizens, and partner CSOs, Business | For HH: Segregate and recycle waste and earn on the side; Raise Compost –grown vegetables to augment food budget<br>For business: reduce production costs through waste reduction | Social marketing (target specific behavior of a segmented audience)           |
| Citizens , CSOs            | LGU ( Mayor , SB, Environmental bodies)      | Fully support the programs of the Solid Waste Management Board; Have someone fully in charge. Use the agreed upon Solid Waste Program as basis for annual budgeting.              | Public advocacy strategies  |
| Leagues and Networks       | LGUs   | Apply immediately doable and cost effective measures for solid waste management building on ‘experience of pioneering LGUs.   | IEC (sharing on good practices to expand choices of LGUs)                     |
|                            | LGUs as members of leagues and networks      | Obtain improved and sustained technical service on good solid waste management options by paying your dues and attending conferences  | Organizational communication  |
|                            | National Government                          | Match the statutory deadlines for establishment of disposal facilities with adequate and timely technical assistance for LGUs to be able to comply                                | Public advocacy strategies  |
| National Government (DENR) | LGUs, Leagues                                | Act immediately on doable actions (e.g., enforce segregation, improve dumpsite operations) while planning for long term measures (disposal facilities)                            | Public Advocacy strategies  |
|                            | Field personnel                              | Invest in LGU partnerships to attain the agency’s own national targets (i.e., Major Final Outputs or MFOs )   | Organizational communication (e.g., national sharing event within the agency) |

## **2. Promote capacity building for whole teams**

Partnerships are nurtured through LGU-based local special bodies (MDC, Solid Waste Management Boards, FARMCs, etc) as well as LGU units charged with program implementation (such as MENROs). As new organizations, they need to craft their shared, service-oriented visions and service delivery programs in the context of severe resource constraints.

Building capacities will cover not only individual skills to undertake technical tasks which has been the focus of previous programs. More importantly, it will



improve access of whole teams to tools that enable them to manage an avalanche of new (often unorthodox) tasks.

EcoGov 2 will work with relevant ongoing government, non–government and donor initiatives on this front. The aim is to strengthen the service orientation of LGU-based environmental organizations as well as frontline offices of national government partners and local service providers.

EcoGov 2 will specifically work with selected organizations within LGUs and selected national government units to develop their service visions, strategic action programs, staffing and resource mobilization plans and operating procedures for successful delivery of services. Experience generated will be shared nationwide through sharing sessions and information materials.

### **3. Build on other projects' lessons and begin with pressing issues and regional opportunities**

The wealth of current and previous initiatives in advocacy, social marketing, and capacity building including those that USAID Philippines has supported will be reviewed. Exemplary practices from innovative campaigns in the health sector would be among those to be studied. These learnings will be factored in implementation planning.

Advocacy and capacity building work will likewise build on compelling issues and advocacies of the day as well as entry points at the regional level. Some of the issues and opportunities important to LGUs that will be vetted through the Leagues, Networks and Media among others would include the following:

#### **Forest resources management**

:

- Operationalizing EO 318 (Sustainable Forest Management ;
- Forest land use planning
- Co management of and investing in forest lands

#### **Coastal Resources management**

- Inter–LGU alliances to manage common coastal resources
- Strengthening of FARMCs and zone management committees
- Decision support tools for localized resource management

#### **Urban environmental management**

- Meeting statutory waste reduction targets (25%) through waste segregation and composting
- Meeting statutory requirements on solid waste management disposal
- Building inter-LGU alliance for common concerns

The following are illustrative examples for regional opportunities.

- In Northern Luzon, EcoGov 2 can build public outcry on natural disasters linked to illegal logging and identify practical opportunities for robust, information-based advocacies for local governance. Both media and government will need education though that the problem is more complex than illegal logging per se.
- In Central Visayas, the comparatively strong local media networks to support advocacy for improved solid waste and water quality management can be tapped.
- In Mindanao, the presence of many serious CSO networks will be tapped to provide impetus for advocacy in improved forest and coastal governance. Particular attention for instance will be provided for advocacy in bay wide CRM alliance and in supporting the ARMM operationalize the provisions of a recent local law on forest management.

#### **4. Work with focal LGUs and networks to accelerate spread.**

Technical assistance and training on improved social marketing and advocacy approaches will be provided to all participating LGUs in collaboration with local resource organizations.

Initial focus however will be selected self-propelling LGUs (up to 30) in order to provide early sources of lessons to share with the rest of participating LGUs. Five LGUs working on solid waste management programs will be guided in implementing research-based communication campaign plans, including the development and evaluation of IEC products. The team will lead in the design and initial delivery of the technical assistance/training modules to these focal LGUs, in close coordination with the other sectoral teams.

Learning from focal LGUs will be documented and assembled together with existing documented learning from other (non-EcoGov 2) initiatives. They will be disseminated through provincial/regional/national sharing sessions to be conducted by Leagues and theme networks. LGUs adjacent to the focal LGUs as well as LGUs in the same province or region will be primary targets of the sharing events.

EcoGov 2 will study the experience of current sharing modalities and propose improved strategies to make the process more cost effective and sustainable on the part of intermediary institutions (leagues, theme networks). The aim is to provide in a timely manner to LGUs nationwide, a rich menu of management options for wide ranging conditions.

#### **5. Promote use of Governance Index for advocacy**

EcoGov 2 will build on previous efforts of the Project to develop an LGU environmental governance index. The current TAP-based performance milestones being used by EcoGov will be integrated into the index, in the process

of further simplifying the indicators and measurement procedures. The resulting index will be tested in selected LGUs and refined before it is applied in EcoGov LGUs to establish the baseline. A mid-project and an end-of-project measurement will be undertaken to track improvements of participating LGUs in the practice of good governance. The results of the initial and mid- project measurements, which should indicate the LGU's "weak" areas, will be utilized to enhance social marketing and advocacy initiatives in the LGUs.

As the EcoGov index is being developed and tested, EcoGov 2 will initiate consultations with the DILG and Leagues to validate its acceptability and potential use to these organizations. This is expected to result in collaboration with DILG and the Leagues to harmonize the index with the environmental management component of the DILG's current LGPMS, and explore ways by which it can be linked with existing or planned incentives systems for LGUs. The DILG and the Leagues will be assisted in defining the advocacy support that will be necessary to promote use of the index by LGUs to review and improve their respective environmental governance performance and by the stakeholders who should be able to demand good governance from their local leaders.

#### **IV. TARGETS AND DELIVERABLES**

In relation to the above objectives and strategies, the targets and key deliverables of the sector are:

On support to LGU and LGU clusters

- Training of practitioners and trainers in 90 EcoGov 2-assisted LGUs on improved IEC and public advocacy approaches as well as service delivery improvements of local environmental bodies
- At least 5 LGUs implementing and sharing experience on research-based, behavior-targeted communication campaign plans, with IEC products produced
- At least 15 LGUs with LGU-based environmental bodies (MENROs, FARMCs) implementing TAP-enhanced ,improved service programs and sharing the experience to other LGUs

On Support to National Agencies

- TA modules on service delivery improvements designed and conducted for at least 15 relevant operating units in the EcoGov 2 regions (DENR, DA-BFAR and NCIP)
- Annual agency wide (DENR, DA-BFAR) sharing events to discuss learning's and good practices

On working with LGU Leagues, networks, local service providers, etc.

- Participatory assessment of the present state of environmental services of key leagues and selected networks/relevant organizations
- TA support for developing service programs for members of 3 major leagues and 3 major networks

- Establishment of an LMP training service (including possibility of Mayors Academy ) as proposed by LMP
- At least 4 regional institutional LSPs assisted to provide continuing relevant training service to LGUs even beyond the project
- TA support to improved sharing events for at least three major leagues (LCP, LMP, LPP), at least three major theme oriented networks and for selected regional CSO based networks and alliances
- IEC materials for priority messages/programs of the leagues and networks
- “Good Practices” or success stories developed and disseminated through the leagues and networks (including media organizations/practitioners)

On the governance index

- A project-focused environmental governance index, applied in 90 to 110 LGUs to achieve SOW requirement that 80 to 100 government institutions meet good environmental governance index benchmarks by Year 5 and by Year 7, respectively.
- Three measurements of the governance performance of LGUs: baseline, mid-project and end of project.
- Recommendations to DILG to adapt the index in the environment component of its Local Governance Performance Management System

## V. IMPLEMENTATION SCHEDULE OF KEY ACTIVITIES

| Activity   | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|------|------|------|------|------|
| <b>A. Preparatory Activities</b>   |       |      |      |      |      |      |
| <b>B. Support to LGU level actions</b>   |       |      |      |      |      |      |
| <b>IEC and advocacy campaigns</b>  |       |      |      |      |      |      |
| 1. Develop social marketing research approach  |       |      |      |      |      |      |
| 2. Social marketing research (5 pilot sites); development of campaign plans              |       |      |      |      |      |      |
| 3. Impact assessment; sharing of lessons   |       |      |      |      |      |      |
| 4. Training to improve CSO advocacy  |       |      |      |      |      |      |
| 5. Develop and conduct TA modules for improving service delivery by environmental bodies |       |      |      |      |      |      |
| <b>C. Support to National Govt Partners</b>  |       |      |      |      |      |      |
| 1. Develop and conduct TA modules for improving service orientation                      |       |      |      |      |      |      |
| 2. Share experience within agencies  |       |      |      |      |      |      |
| <b>D. Support to Leagues and Networks</b>  |       |      |      |      |      |      |
| 1. Develop concept of “Mayors Academy  |       |      |      |      |      |      |
| 2. Conduct training for LMP  |       |      |      |      |      |      |
| 3. Support to other Leagues  |       |      |      |      |      |      |

| Activity /Target Client  | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|------|------|------|------|------|
| 4. Support to key theme networks                                 |       |      |      |      |      |      |
| 5. National sharing events                                       |       |      |      |      |      |      |
| 6. Development of IEC products for leagues/networks              |       |      |      |      |      |      |
| 7. Prepare/disseminate success stories                           |       |      |      |      |      |      |
| <b>E. Local Service Providers</b>                                |       |      |      |      |      |      |
| 1. Identify and capacitate LSPS to co-implement training modules |       |      |      |      |      |      |
| <b>F Governance Index</b>  |       |      |      |      |      |      |
| 1. Finalize index with partners                                  |       |      |      |      |      |      |
| 2. Benchmark, mid project and end project measurements           |       |      |      |      |      |      |
| 3. Discussions with DILG on environment component of LGPMS       |       |      |      |      |      |      |

\*Oct 1, 2004 to Dec 31, 2004



**ANNEX 9.**  
**POLICY SUPPORT WORKPLAN**  
**FROM OCTOBER 2004 TO SEPTEMBER 2009**

**I. INTRODUCTION**

In the past three decades, policies on environment and natural resources management have had major shifts. This was due, in part, to the desire to arrest the rapid decline in forest and coastal resources as well as the deterioration of environmental quality because of unbridled increase in waste generation and pollution. Environmental policy has also been greatly influenced by international developments, as the Philippines became a party to the major international environmental agreements. A main force that drives policy and regulatory change is the principle of devolution that is mandated by the Constitution and promoted in local and international legal instruments. In the last decade, environmental laws passed by Congress have increasingly transferred management responsibilities from national agencies to local government units.

The major shifts in policies have resulted in an avalanche on new regulations [statutory or administrative], which have often been characterized as incomplete (e.g., land use), obsolete (e.g., forestry code) or contradictory/ vague (e.g., some issues in coastal management). It has also resulted in the proliferation of institutions that can have overlapping mandates (e.g., in water resources management). Regulations also suffer from weak enforcement that is invariably blamed on the perennial lack of financial, technical and human resources.

Until recently, policy and regulations were developed mainly along sub-sectoral lines (forests, lands, mining, biodiversity, pollution, water) with low regard for inter-sector harmonization. Thus, policies and regulations do not capture the interrelatedness and interconnectedness of nature. The most recent laws and regulations, such as the Clean Water Act, talk of a landscape or ecosystem approach. This will again spawn a new set of amended regulations whose intentions may be severely hampered by the sector-based regulatory precedents.

EcoGov 1 succeeded in stirring up certain reforms in the forestry sector policies. It has come up with a harmonized and simplified forestry regulations and procedures. It was also instrumental in the passage of the Regional Sustainable Forest Management Act (RSFMA) in the Autonomous Region in Muslim Mindanao (ARRM). Pending the approval by Congress of a national SFMA, EcoGov 1 assisted in the formulation and adoption of an Executive Order on sustainable forest management. However, more has to be done as far as improving Philippine environment and natural resources policies and their on-the ground implementation are concerned, especially on coastal and waste management issues.

## II. OBJECTIVES

- To strengthen capacities of local and national bodies in implementing policies on environmental management.
- To enhance capacity of local and national bodies to formulate, enforce, and modify environmental laws.
- To improve environmental policies that support local actions and improved environmental practices.

## III. TARGETS

- During the first 2 years, EcoGov 1-assisted LGUs (those with legitimized and approved ISWM, FLUP, and CRM plans and those completing their plans) have crafted and formulated local ordinances to strengthen implementation, monitoring and enforcement, and incentive systems.
- Completed final draft of IRRs of EO 318, MMAA 161, and Philippine Clean Water Act.
- Completed analysis and recommendations for improving key national ENR policies such as the Fisheries Code, NIPAS law, etc.
- At least two capacitated LSPs (NGOs, associations, etc.) per region who could advise LGUs on how to improve and strengthen their local ordinances in support of implementing coastal, forests, and solid/waste water management.
- Documented annual or bi-annual policy fora in response to key issues and as inputs to the formulation of policy agenda for the EcoGov 2 annual work planning.

## IV. STRATEGIES

1. **Employ the demand-driven approach in policy intervention.** Policy intervention is driven by demand. Our partners' priorities are our priorities. Local management plans are ready for implementation and some policy and legal issues need to be resolved for implementation to move forward.

The specific policy issues that will be tackled on the first year have been identified. Some of these issues may be resolved immediately, while others will continue to be addressed during the project's life. Other specific issues may be identified at the end of each year of project implementation in order to be prioritized and relevant activities set in the succeeding year.

2. **Use field-based experience as basis for policy advocacy at the national level, providing inputs to legislative initiatives.** No policy will be developed in a vacuum. Recommendations for amendments to existing laws and regulations will critique what has not worked in practice, and alternative proposals will be anchored on what works on the ground based on experience in the project sites. Organizing and holding periodic policy fora will be the mechanism and avenue for drawing out clamors for policy changes or policy modifications.



3. **Link with relevant partners in the delivering services to LGUs.** In the delivery of legal assistance, EcoGov 2 will work with relevant personnel and offices in partner agencies (e.g., National Law Enforcement Council, legal offices of the partner agencies). The project will also tap civil society networks and individual non-government organizations (Institutes of Environmental Governance, Environmental Defense or EnDefense network) which are already providing the service. EcoGov's role will be to promote consensus on strategies and approaches, so that the delivery of service is efficient, standardized and effective.
4. **Look for practical solutions to speed up plan implementation.** Project outputs and milestones, in general, will be based on what is the most expedient solution to enable implementation of the management plans. The larger policy implication of site-specific solutions will drive development of laws, regulations, and policy issuances that have broader scope or wider geographic application.

To illustrate: The issue of foreshore management has been identified as critical. There are several sub-issues related to mangroves, beach resort development, and coastal fisheries. The project will address the site-specific issues and will tailor outputs appropriate to the problem in the project site. These site-based problems have national implications that require national-level interventions (e.g., proposed law on coastal zone management). The project output is not the amended or enacted law itself, which is dependent on the action of Congress, but the draft contract, ordinance, or regulation, as well as the concrete proposals on site-specific issues.

At the national level, the collated solutions to specific problems will contribute to the review or amendment of national laws. EcoGov will actively support and participate in discussions to improve current laws, but will not necessarily lead the advocacy for particular bills.

5. **Design and conduct appropriate training modules for local and national partners to strengthen their capabilities** to analyze, review, craft/modify, advocate, and facilitate the issuances of policies that will improve environmental governance and implementation.

## V. ASSUMPTIONS

1. **Major agency partners (DENR, DA, DILG) support systematic devolution.** Various laws provide for the transfer of environmental governance functions to appropriate levels of LGUs or LGU-based institutions. DENR, DA and DILG must provide guidance to LGUs preparing to assume these functions. The national agencies must also provide for a clear delineation of responsibilities and a definite procedure for actual transfer of powers.
2. **Civil society organizations and networks support policy initiatives.** NGOs and their networks already performing legal assistance will actively participate in providing support to LGUs and communities in project sites.

Civil society organizations and academic institutions engaged in policy advocacy will actively participate in discussions on the key issues identified and agree on a common or complementary strategy for developing policies.

Despite recent differences of positions between DENR and civil society groups (e.g., on mining policy), the latter will be willing to critically collaborate with DENR to formulate policies in key issues identified below.

## **VI. KEY POLICY ISSUES**

Based on field experiences in EcoGov 1 and past consultations with partner agencies, civil society and other local stakeholders, the project has compiled a list of key policy issues that it could help address. These issues are categorized as cross-cutting policy initiatives that highlight good environmental governance and specific policy initiatives in support of local actions, especially in project sites.

The cross-cutting policy initiatives aim to promote policy consistency over time, as well as institutionalize and provide incentives for sound environmental management principles and practices. The activities include supporting the national legislative agenda to update environmental laws. It also includes establishing links with international institutions promoting good environmental governance such as the Partnership for Principle 10 and Blue Flag. The cross-cutting policy initiatives are consolidations of specific policy initiatives that have been tackled locally in the Project sites. For example, the various issues raised in the field related to fisheries management will feed into supporting the broader legislative review of the Fisheries Code.

The specific policy initiatives have been identified with sectoral- and area-based stakeholders and have local, sectoral and national implications. The issues that have been identified may have local, regional and/or national implication. The proposed solutions to the issues raised shall match the potential scope of application. For example, addressing the problem of mangrove management in Talibon, Bohol benefits other areas faced with similar problems. For Talibon, a local solution may suffice, but a more general regulation or policy is needed so that the learnings in Talibon may be replicated elsewhere.

Each year, the policy team will consult with the EcoGov sectoral and regional teams, partner agencies and institutions to identify specific policy targets in the succeeding years. This will ensure that the initiatives are relevant and responsive to the needs of stakeholders.

### **1. Broad/Cross-cutting Policy Initiatives**

- Developing general policy frameworks that highlight good environmental governance:
  - a. Propose good environmental governance provisions in national and regional legislative initiatives (i.e., in the review of, where applicable, the Fisheries Code, Water Code, Local Government Code, National Integrated Protected Areas System Act; Congressional bills on the National Environmental Management Authority, Environmental Code,

Sustainable Forest Management, Land Use, Land Administration and Registration Authority; ARMM Fisheries Code, Waste Management and Protected Areas laws and bills) including their implementing rules and regulations;

- b. Improve compliance with environmental laws by closing the loopholes in enforcement and adjudication, as well as providing mechanisms for strengthening enforcement capacity and applying appropriate dispute resolution methods to environment and natural resources conflicts;
- c. Institutionalize access to information, public participation and justice, in decision-making that affects the environment in line with the transparent-accountable-participatory (TAP) governance strategy (e.g., participation in Partnership for Principle 10 initiative, in collaboration with the World Resources Institute or WRI);
- d. Ensure that user fees are re-invested back to natural resource management; and
- e. Strengthen a decentralized policy development and dissemination system within DENR and support rationalization (re-engineering) of the organizational structure and budget of DENR in light of new and modified responsibilities under existing laws.

## **2. Specific policy initiatives** (mainly for 2005, others to be identified yearly)

- **Forest Resource Management**

- a. Ensure the upland local government's share in the revenues from the use of water from its watersheds for power generation and other uses downstream;
- f. Harmonize National Integrated Protected Area System (NIPAS), Indigenous Peoples' Rights Act (IPRA) and Forestry regulations particularly on co-management of forestlands;
- g. Promote investments in co-managed forestlands and ancestral domains (if the indigenous peoples request assistance);
- h. Participate in drafting the implementing rules and regulations for the ARMM Sustainable Forest Management Act and Executive Order 318;
- i. Strengthen tenure instruments by ensuring consistency and stability of use rights; and
- j. Further refine regulations on the management of foreshore areas (coordination with other agencies with activities in the foreshore, e.g., Philippine Tourism Authority, Bureau of Fisheries and Aquatic Resource, Philippine Ports Authority, Public Estates Administration).

- **Coastal Resource Management**

- k. Harmonize NIPAS, Local Government Code, Fisheries Code policies to allow co-management;
- l. Provide incentives to internalize environmental costs in coastal development activities;
- m. Provide incentives for the networking of marine sanctuaries and marine protected areas;
- n. Address the emerging problem of coastal pollution from mariculture; and

- o. Explore feasibility of rights-based fisheries (tenure instruments for coastal resources/ areas).
- Urban Environment Management
  - p. Strengthen regulations on special/toxic and hazardous wastes (e.g., batteries, fluorescent bulbs) by providing mandatory buy-back and collection;
  - q. Provide legal and policy basis for rationalizing the targets and deadlines for shift to sanitary landfills under RA 9003, by developing guidelines to facilitate site evaluation and approval (in support of the National Solid Waste Management Commission);
  - r. Develop policies providing guidelines and incentives for LGU and private sector investments in sanitation and wastewater treatment (focusing on domestic sources of water pollution and septage management);
  - s. Support initiatives for Blue Flag certification of selected coastal eco-tourism sites; and
  - t. Identify remedies and procedures for resolving conflicts (agency/ court jurisdictions and procedures over nuisance, pollution and waste disposal cases).

## VII. IMPLEMENTATION SCHEDULE

| Key Activities  | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|-------|------|------|------|------|------|
| <b>Cross-cutting</b>  |       |      |      |      |      |      |
| 1. Preparatory Activities   |       |      |      |      |      |      |
| 2. Annual EcoGov Policy Forum   |       |      |      |      |      |      |
| 3. Annual EnDefense Conference Support  |       |      |      |      |      |      |
| 4. Partnership for Principle 10 initiative (subject to negotiations with DENR, USAID, WRI)  |       |      |      |      |      |      |
| 5. Alternative Dispute Resolution (ADR) training  |       |      |      |      |      |      |
| 6. Support for DENR re-engineering.   |       |      |      |      |      |      |
| 7. National and ARMM NRM coordination study   |       |      |      |      |      |      |
| 8. Other policy reviews (as needed, identified annually)  |       |      |      |      |      |      |
| 9. Paralegal training support (as needed, to be identified by sector and area coordinators)   |       |      |      |      |      |      |
| 10. Support/ participation in legislative agenda of Congress and ARMM (outputs of specific policy studies as inputs in relevant discussions on proposed bills and implementing rules) |       |      |      |      |      |      |

| Key Activities   | 2004* | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|------|------|------|------|------|
| <b>FFM</b>   |       |      |      |      |      |      |
| 1. NIPAS IRR Review  |       |      |      |      |      |      |
| 2. EO 318 IRR drafting support   |       |      |      |      |      |      |
| 3. Support for Co-management sites (in Policy Forum)                     |       |      |      |      |      |      |
| 4. Reinvesting user fees policy study (part of Policy Forum)             |       |      |      |      |      |      |
| 5. Synthesis of foreshore management strategy (in Policy Forum)          |       |      |      |      |      |      |
| 6. Other policy reviews (as needed, identified annually)                 |       |      |      |      |      |      |
| <b>CRM</b>   |       |      |      |      |      |      |
| 1. Internalizing environmental costs policy study (part of Policy Forum) |       |      |      |      |      |      |
| 2. Networking of marine sanctuaries policy study (in Policy Forum)       |       |      |      |      |      |      |
| 3. Coastal pollution from mariculture policy study (in Policy Forum)     |       |      |      |      |      |      |
| 4. Rights-based fisheries policy study (in Policy Forum)                 |       |      |      |      |      |      |
| 5. Other policy reviews (as needed, identified annually)                 |       |      |      |      |      |      |
| <b>UEM</b>   |       |      |      |      |      |      |
| 1. Strengthening regulations on special wastes study (in Policy Forum)   |       |      |      |      |      |      |
| 2. Rationalizing SWM targets workshop support                            |       |      |      |      |      |      |
| 3. Investments in sanitation and WWM policy support                      |       |      |      |      |      |      |
| 4. Remedies for garbage/ pollution conflicts policy study                |       |      |      |      |      |      |
| 5. Policy support for Blue Flag in selected sites                        |       |      |      |      |      |      |
| 6. Other policy reviews (as needed, identified annually)                 |       |      |      |      |      |      |



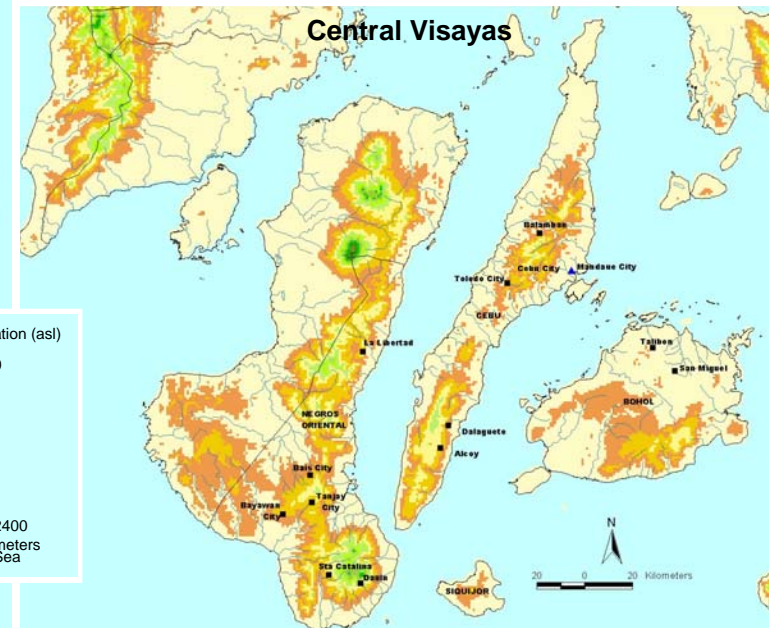
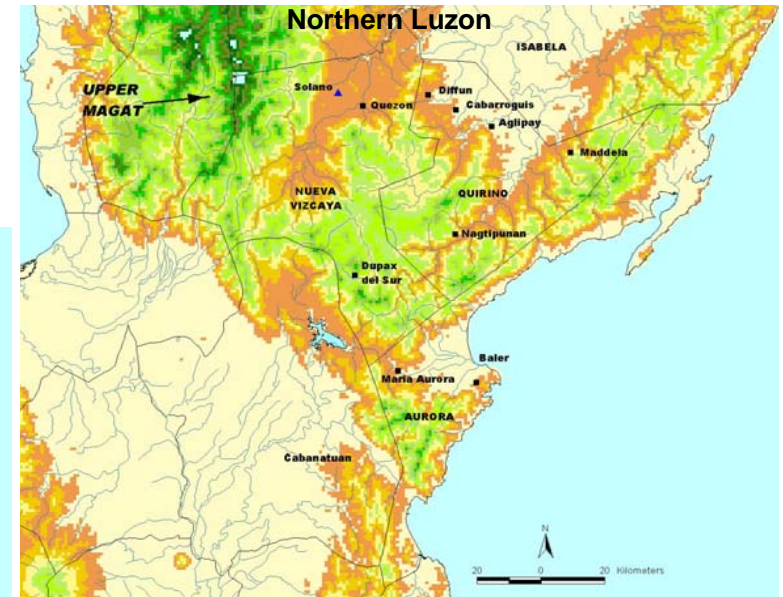
**ANNEX 10.**

**MAP OF EXISTING AND POTENTIAL EXPANSION AREAS  
(CRM, FFM, UEM)**



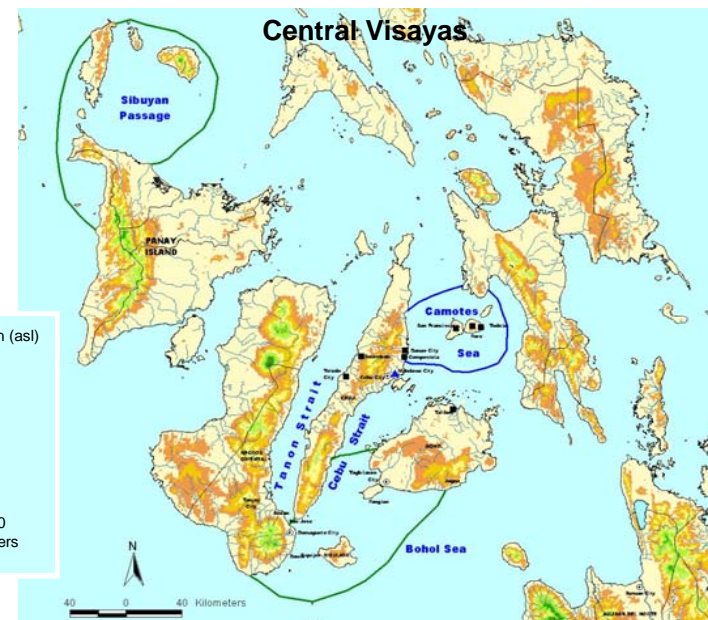
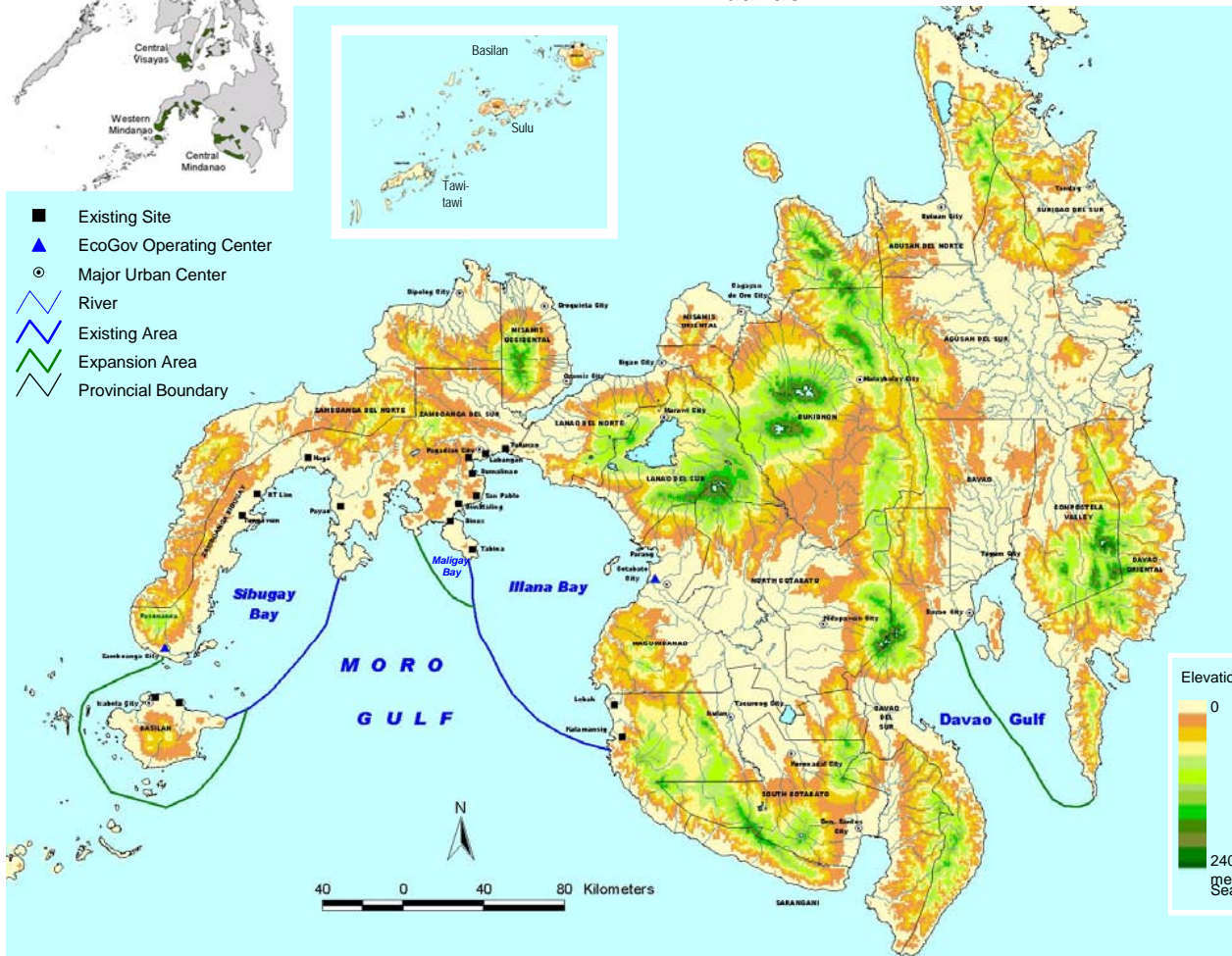
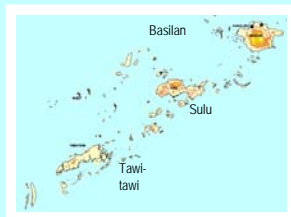


A map of the Philippines with four regions highlighted in dark green. The regions are labeled as follows: Northern Luzon (in the northern part of Luzon), Central Visayas (in the central part of the Visayas), Western Mindanao (in the western part of Mindanao), and Central Mindanao (in the central part of Mindanao).









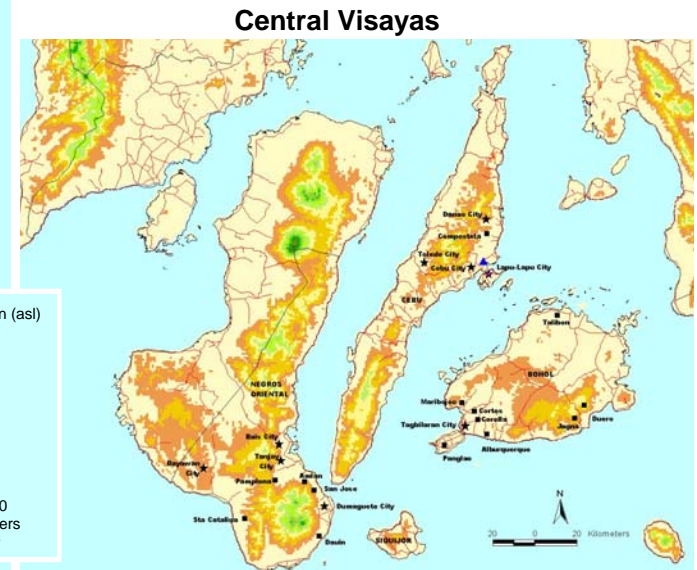
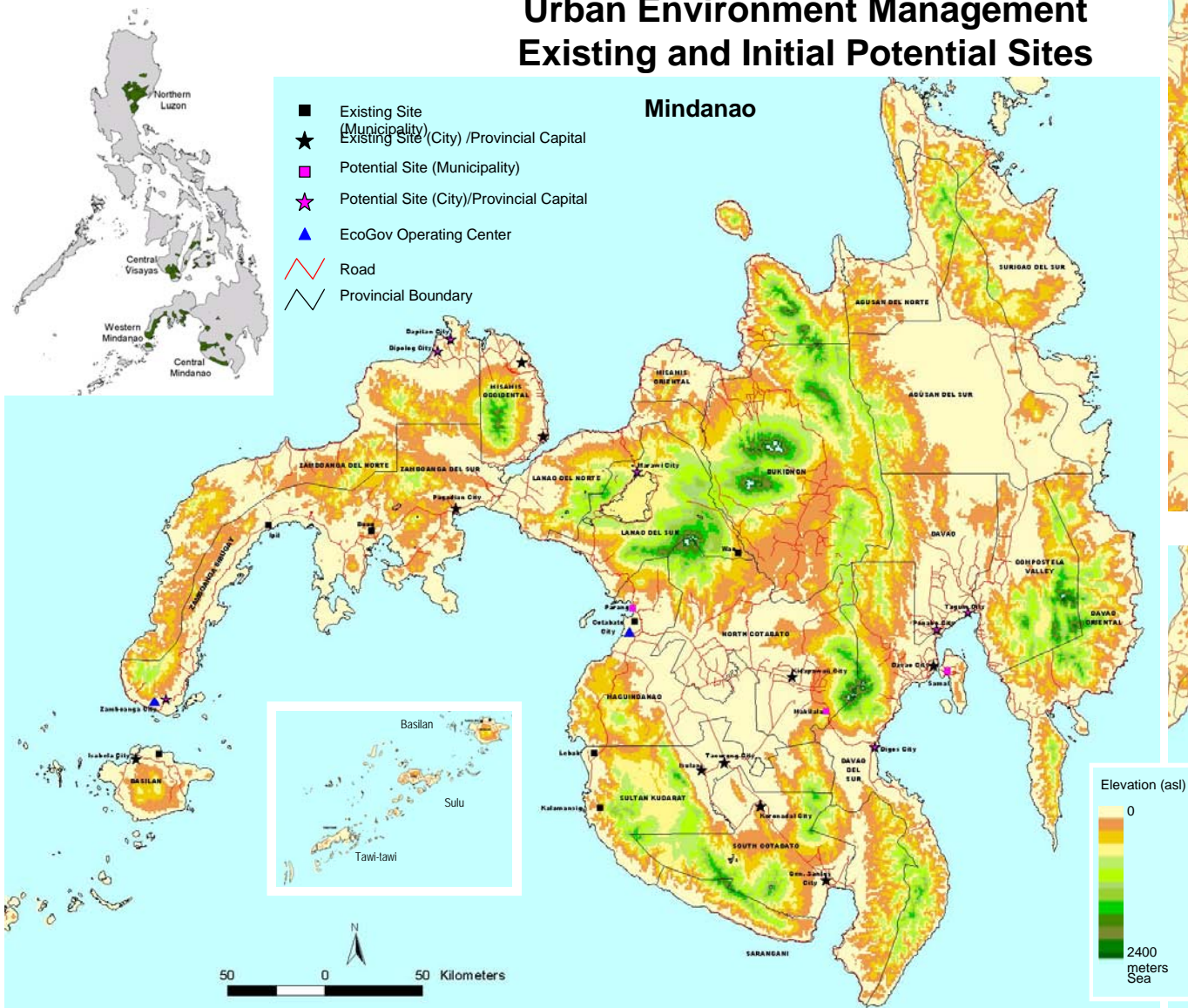




# ECOGOVERNANCE PROJECT 2

## Urban Environment Management

### Existing and Initial Potential Sites





**ANNEX 11.**  
**ECOGoV 2 WORKPLAN FOR YEAR 1**  
**(OCTOBER 2004 TO DECEMBER 2005)**

**1.0 INTRODUCTION**

This Annual Work Plan for FY 2005 of the Philippine Environmental Governance Phase 2 Project (EcoGov 2) summarizes the Project's first year implementation strategies, targets, and key activities which will be carried out by the Development Alternatives, Inc (DAI) in collaboration with DENR counterparts and key partners. It covers a 15-month period from October 1, 2004 to September 30, 2005. It outlines the Team's proposed efforts on mobilization, work planning, implementation, and internal assessment on a per sector basis. As such, the EcoGov 2's Annual Work Plan for FY 2005 should be understood in the context of the Life of Project Work Plan (October 2004-September 2011) including the sectoral work plans for the same period.

This Plan provides a detailed list of activities per sector and describes the strategy for its implementation. The Annual Work Plan translates EcoGov 2's intent and objectives into tangible activities in different regions to address illegal and destructive fishing, illegal logging and natural forests conversion, and the ill-effects and environmental hazards of unmanaged solid and water wastes at the LGU community levels. The proposed activities reflect the thinking that EcoGov 2's major efforts in FY 2005 should provide continuity to EcoGov 1 activities. The 2005 activities are also designed in support of the MFOs of DENR, DILG, and DA/BFAR.

The implementation of the activities will require cooperation and support from DENR as the key implementation counterpart, continuing interest from EcoGov 1-assisted LGUs for technical assistance in completing unfinished tasks and moving towards implementation of approved/legitimized FLUPs, ISWM or CRM plans, and participation of coalitions, leagues, associations, and other civil society groups in advocating policy changes at the local and national levels.

The Annual Work Plan is presented based on five single-sector strategies that correspond directly to the Scope of Work and two cross-cutting strategies that the Contract outlines separately. The sectors are: (1) Good Environmental Governance, (2) Forestry, (3) Coastal Resources, (4) Solid and Waste Water Management, and (5) Municipal Finance. The cross-cutting strategies are for: (6) Advocacy and Social Awareness, and (7) Policy Reform.

## **2.0 TECHNICAL APPROACHES TO ACHIEVE PROJECT OBJECTIVES**

### **2.1 Strengthening Good Governance Using the Good Environmental Governance Index**

#### **Year 1 Objectives**

- To establish a project-level good governance index that can be applied to the participating government institutions; and
- To assess the DILG's local government performance management system to determine how it could be strengthened to better measure environmental good governance.

#### **Activities and Targets in Year 1**

- Finalize and apply project-level good governance index to participating government institutions. This will require the Team to identify key governance-oriented performance indicators and use these indicators and a municipal capacity index to simplify the draft environmental governance index prepared under EcoGov 1. This index will be finalized with inputs from USAID, DENR, DILG and other partners, and used to establish baseline information on the governance capacity of more than 80 local government institutions. The project's environmental governance index for the targeted 80 institutions including the conduct of the baseline surveys will be completed on or before June 2005. (The project plans to conduct at least 2-3 surveys among the 80 government institutions to determine improvements in their environmental governance over the next 5-7 years).
- Assess DILG's Local Government Performance Management System and make recommendations to USAID, the DENR and the DILG to determine whether the project can/should provide technical support to help strengthen the DILG system.
- Analyze other governance-related monitoring systems, including the USAID-supported Rule of Law Effectiveness (ROLE) program's integrity index, the Asia Foundation's Transparency, Accountability, and Governance program, and the past efforts of the Social Weather Station. Each offers lessons and possible links for EcoGov 2 that are already better developed and/or offer opportunities for sustainability beyond a stand alone environmental good governance index.



| Activities   | Schedule |      |    |    |    | Responsible Persons   |
|--|----------|------|----|----|----|---|
|  | 2004     | 2005 |    |    |    |   |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |   |
| Development and application of project-level governance index  |          |      |    |    |    |   |
| 1. Review of existing governance-related monitoring systems including DILG's LGPMS   |          |      |    |    |    | C. Umali (CU),<br>GoAd Team, H.<br>B. S. Malayang ,<br>Expat STTA |
| 2. Develop, test and finalize project level governance index   |          |      |    |    |    |   |
| 3. Conduct of benchmark survey   |          |      |    |    |    |   |
| 4. Analysis of survey results  |          |      |    |    |    |   |
| 5. Consultations/discussion with USAID, DENR, DILG, LMP, LCP and other partners on the design, results of testing and benchmark survey |          |      |    |    |    |   |
| Support to DILG's performance management system  |          |      |    |    |    |   |
| 1. Prepare recommendations re project's support to strengthen DILG's LGPMS   |          |      |    |    |    | CU, GoAd Team   |

## 2.2 Strengthening Forests and Forest Lands Management

### Year 1 Objectives:

- To complete the remaining FLUP activities and co-management negotiations started in EcoGov 1; and
- To initiate actual implementation of legitimized FLUPs in at least 20 LGUs, and of co-management agreements in at least 12 LGUs. These implementation activities should lay the groundwork for placing 47,600 hectares of natural forest under improved management in 2006.

### Activities and Targets in Year 1

- Obtain confirmation from the 30 EcoGov 1-assisted FFM LGUs regarding their continued interest and commitment to participate in EcoGov 2. It is important that the project and LGUs level off on the scope of the implementation technical assistance and clearly establish implementation priorities and working arrangements. LGUs will need to indicate availability of resources for LGU-level activities, particularly for FLUP implementation.
- Continue work in 10 LGUs that have to complete and/or legitimize their FLUP and sign implementation agreements with DENR. The ongoing negotiations between Zamboanga City and the DENR will also be supported and should result in the signing of the co-management agreement.
- Initiate FLUP implementation in at least 20 LGUs. Implementation activities will focus on (a) tenure issuance for open access areas, (b) development/updating of tenure-level resource management plans (e.g., Community Resource Management Framework for community-based forest management, ADSDPP for ancestral domain), (c) paralegal training and enforcement, and (d) organizational

development, for CBFM sites. It is expected that actual tenure issuance (which will include co-management agreements) will commence within Year 1 in at least 10 LGUs.

The rationale and concept of individual property rights (IPR) will be introduced to the priority LGUs, DENR field staff and tenure holders in Year 1 so that the necessary decisions and actions regarding IPR can already be integrated into the management plans. This will facilitate implementation of IPR in succeeding years.

All 20 LGUs will be provided training leading to the development of a LGU-DENR system to monitor FLUP implementation. Several of these LGUs will also be covered by the initial assessment of LGU financial position and investment needs to be done by EcoGov's LGU Revenues and Access to Financing team. This will determine LGUs which will be provided assistance in developing sustainable financing and incentives mechanisms in succeeding years.

- Provide advice and training to at least 12 LGUs with co-management agreements for the implementation of these agreements. Joint LGU-DENR action will be supported leading to the preparation of a management plan and setting up of management structure for the co-managed area.
- Develop within the first quarter of 2005 the technical assistance modules, with the necessary training and information materials, so that technical assistance can proceed as soon as LGU confirmations are obtained. The training modules on IEC and advocacy, paralegal and enforcement, sustainable financing, and results-based M&E will be developed jointly with the concerned cross-cutting sector.
- Identify and train local LSPs who can be deployed to the various LGUs. Also DENR and NCIP staff who can be tapped to serve as resource persons to some of these training. These two agencies are key actors in tenure issuance and approval of resource management plans. Their early involvement in the process will facilitate DENR and NCIP actions.
- When requested by DENR and in relation to 2005 targets of DENR regional offices to assist identified LGUs on FLUP or co-management agreement, conduct an FLUP course for DENR staff and other interested Ecogov 2 partners.
- As interventions on the ground are being initiated, perform parallel actions at the national level to review and develop enabling policies related to resource users' fees and private and public investments in forest lands. There is a need to address the constraints to investing in forests and forest land management to allow for private investments to take root.
- Support policy initiatives of the DENR in developing the Action Plan for Executive Order 318 (Sustainable Forest Management); and harmonization of the National Integrated Protected Area System (NIPAS) Act, the Indigenous Peoples Right Act (IPRA) and forestry regulations.

- Assist the Autonomous Region in Muslim Mindanao (ARMM) in preparing the IRR for the implementation of the Muslim Mindanao Autonomous Act 161 (ARMM Sustainable Forest Management Act).

| Activities   | Schedule |      |    |    |    | Responsible Persons   |
|--|----------|------|----|----|----|---|
|  | 2004     | 2005 |    |    |    |   |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |   |
| Preparatory Activities   |          |      |    |    |    |   |
| 1. Preparation of FFM workplan; orientation of regional teams  |          |      |    |    |    | ESGuiang (ESG), GB Castillo (GBC), Reg'l Specialists (RSs)              |
| 2. Confirmation of LGU interest and commitment   |          |      |    |    |    | Reg'l Coordinators (RCs), RSs   |
| 3. Orientation of LGUs on EcoGov Phase 2, FLUP implementation process, institutional arrangements                                  |          |      |    |    |    | Reg'l Coordinators (RCs), RSs   |
| 4. Hiring of Assisting Professionals (APs)   |          |      |    |    |    |   |
| Preparation of TA Modules and LSP Deployment   |          |      |    |    |    |   |
| 1. Preparation of TA modules and training materials  |          |      |    |    |    | ESG, GBC, RSs   |
| 2. Preparation/production of information materials (co-management guide, IPR, others)  |          |      |    |    |    | ESG, GBC, RSs, Governance, Advocacy and Capability Building (GoAd) Team |
| 3. Recruitment of LSPs, training   |          |      |    |    |    | ESG, GBC, RSs, RCs  |
| Technical Assistance on FLUP, Co-Management Agreement, Plan Implementation   |          |      |    |    |    |   |
| 1. Completion and legitimization of 10 FLUPs   |          |      |    |    |    | RSs, Assisting Professionals (APs), Local Service Providers (LSPs)      |
| 2. Finalization and signing of Zamboanga City co-management agreement  |          |      |    |    |    |   |
| 3. Training and assistance to at least 12 LGUs in the implementation of co-management agreements                                   |          |      |    |    |    | RSs, GoAd Team  |
| 4. Assistance to LGUs in tenure-level plan Implementation (at least 20 LGUs)   |          |      |    |    |    |   |
| a. Orientation and coaching on tenure issuance and co-management agreements(including sub-agreements within co-managed area)       |          |      |    |    |    | RSs, APs, LSPs with DENR and NCIP as resource persons                   |
| b. Training and assistance in preparation of resource management plans   |          |      |    |    |    |   |
| c. Orientation and assistance in Individual property rights, including mapping and consensus building                              |          |      |    |    |    |   |
| d. Paralegal/enforcement training  |          |      |    |    |    | RSs, Policy Support (PS) Team, LSPs, APs                                |
| e. Organizational development (for CBFM sites) including conflict mgt  |          |      |    |    |    | RSs, LSPs, APs  |
| Capability building for LGU, DENR and other partners   |          |      |    |    |    |   |
| 1. Training and coaching on development of joint LGU-DENR FFM M and E system, including improvement of mapped data and their uses. |          |      |    |    |    | RSs, GoAd Team, LSPs, APs   |

| Activities   | Schedule |      |    |    |    | Responsible Persons  |
|--|----------|------|----|----|----|--|
|  | 2004     | 2005 |    |    |    |  |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |  |
| 2. Review of financial management capacities and investments needs of selected LGUs; orientation financing options including sustainable financing (for selected LGUs) |          |      |    |    |    | LGU Revenues and Access to Financing (LRAF) Team, RSs, LSPs, APs |
| 3. Review of LGU level IEC plans and coaching on communications planning/IEC   |          |      |    |    |    | GoAdTeam, RSs, LSPs, APs   |
| 4. Training of DENR and partners on FLUP preparation process and implementation TA modules (in response to request from DENR to meet their internal FLUP targets)      |          |      |    |    |    | ESG, GBC, RSs,   |
| Policy initiatives   |          |      |    |    |    |  |
| 1. Review and development of enabling policies on users' fees, private/ public investments in forest lands, regulation and management of foreshore areas.              |          |      |    |    |    | PS Team, Resource Economists, LSPs                               |
| 2. Support development of Action Plan for Executive Order 318  |          |      |    |    |    | ESG, GBC, PS Team  |
| 3. Support DENR initiatives to harmonize various laws and regulation   |          |      |    |    |    | ESG, PS Team   |
| 4. Assist ARMM formulate IRR of MMAA 161   |          |      |    |    |    | Mindanao RUS, RC, GoAd Team; PS Team                             |
| 5. Support to other policy initiatives (foreshore management and co-management)  |          |      |    |    |    | ESG, PS Team, LFAF Team  |
| Other activities   |          |      |    |    |    |  |
| 1. Documentation of models and success stories/good practices  |          |      |    |    |    | RSs, LSPs, APs, RCs, GoAdTeam                                    |

## 2.3 Strengthening Coastal Resources Management

### Year 1 Objectives:

- To initiate actual implementation of 7 legitimized Coastal Resources Management (CRM) plans, 17 fisheries management plans and 16 marine sanctuary plans of LGUs assisted in EcoGov 1. These activities are to result in about 13,900 ha of coastal areas under improved management;
- To establish at least 6 new marine sanctuaries; and
- To lay the foundation for baywide/ecosystem alliance building and networking.

## Activities and Targets in Year 1

- Secure confirmation from 26 EcoGov 1-assisted CRM LGUs of their continued interest to participate in EcoGov 2 and availability of local funding for implementation activities. Subsequently, action planning will be done with LGU partners to clearly establish implementation priorities, scope of assistance and working arrangements.
- Provide technical assistance to implement the legitimized Coastal Resources Management (CRM), fisheries management and marine sanctuary plans of 24 LGUs. The focus of the technical assistance will be to lay down the foundation for scaling up of efforts to the baywide/ecosystem level in Baler Bay, Camotes Sea, Illana Bay Region 9, and Sibuguey Bay through joint LGU activities in fisheries law enforcement in IBRA 9 and Baler Bay, formation of marine sanctuary networks in Central Visayas, and inter-LGU training activities (e.g., IEC and advocacy, fishery law enforcement and marine sanctuary exposure trips). There will likewise be interventions to strengthen the organizational structure of IBRA 9 and management bodies of marine sanctuaries. These will serve as confidence building mechanisms to strengthen inter-LGU alliances and management committees within each province or island group (e.g., Zamboanga del Sur, Aurora, Camotes Island). The clusters and networks of adjacent LGUs will also serve as the nucleus for integration of LGU CRM efforts in priority biodiversity conservation areas (e.g., marine corridors, bays)

Several of the CRM LGUs with legitimized plans will be covered by the initial LGU assessment (to establish financial position and capacities) to be done by EcoGov 2's LGU Revenues and Access to Financing team. The financing requirements in the fisheries management plans of IBRA 9 will be looked into. This alliance will be assisted in developing an investment and financing strategy for at least one alliance-level project.

- Establish 6 new marine sanctuaries within the priority areas. At least 2 will be in Lamitan and Isabela City in Basilan to address the commitments in EcoGov 1 that were not met due to budget cuts. Marine sanctuary establishment and management is the proposed entry point for technical assistance in the 2 LGUs.
- Develop and field-test training modules on identified implementation activities (see page 4 of CRM sector plan in Annex 5). The training modules on sustainable financing, IEC and advocacy, paralegal and enforcement, and ordinance formulation will be developed jointly with the concerned cross-cutting sector.
- Develop scopes of work, and identify and train LSPs particularly on the new implementation modules. Preference will be given to institutional service providers (e.g., academic institutions, NGOs). DENR and BFAR staff will also need to be included in the training as they can also be tapped to service LGUs.
- Conduct a methods standardization workshop for prospective LSPs for marine sanctuary networks in EcoGov regions to formulate biophysical and governance

indicators for monitoring and evaluation. These will be adapted by EcoGov for its annual monitoring and evaluation system in support of the Philippine Marine Sanctuary Strategy.

- Launch a marine sanctuary targeted grant program to serve as incentive for improved marine sanctuary implementation and networking among clusters of marine sanctuaries. It will also serve as a means to strengthen capabilities of local institutions who can continue to provide technical assistance to the LGUs beyond the life of the project. The criteria for grant award will be developed and incorporated into the EcoGov grants manual.
- Review and refine the fisheries bioeconomic model (FISH BE) so that it becomes more user friendly to decision makers and other CRM practitioners and applicable to baywide scenarios. Training will be conducted in LGUs on data gathering for FISH BE analysis. A popularized version of the model will be produced so it can be used as a tool for social awareness and advocacy programs.
- Collaborate with the Urban Environmental Management (UEM) team in the assessment and final selection of the demonstration LGUs for the Blue Flag system.
- Conduct of a study on women in coastal areas as powerful and influential channels for IEC and advocacy to inculcate values and practices on good environmental governance at the household and community level. The results of the study will be inputs to the planned incorporation of indicators on the role of women in M&E processes.
- Conduct an economic analysis of coastal zone options to determine the costs and benefits of different coastal zoning scenarios in an LGU. This will serve as a decision-making tool for LGUs embarking on coastal zoning.
- Policy support will focus on the conduct of several policy studies related to networking of marine sanctuaries, coastal pollution from mariculture, and rights-based policy. The proposed revisions to the Fisheries Code will be finalized and will be subjected to consultations. Per the request of ARMM, discussions will be initiated on the Fisheries Act of ARMM to identify possible areas for revision and enhancement.

| Activities   | Schedule |      |    |    |    | Responsible Persons                                      |
|--|----------|------|----|----|----|--|
|  | 2004     | 2005 |    |    |    |  |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |  |
| <b>Preparatory Activities</b>  |          |      |    |    |    |  |
| 1. Preparation of CRM workplan; orientation of regional teams  |          |      |    |    |    | AJMenez (AJM), PMAlino (PMA), RSs                        |
| 2. Confirmation of LGU interest and commitment   |          |      |    |    |    | RCs, RS  |
| 3. Orientation of LGUs on EcoGov Phase 2, CRM implementation process, institutional arrangements                                     |          |      |    |    |    | AJM/PMA, RSs, RCs  |
| 4. Hiring of Assisting Professionals (APs)   |          |      |    |    |    | RCs, RSs   |
| <b>Municipal-wide Coastal Resources Management</b>   |          |      |    |    |    |  |
| <b>Some Implementation support options</b>   |          |      |    |    |    |  |
| 1. Action planning for implementation of priority activities in at least two zones   |          |      |    |    |    | RSs, LSPs, Aps with support from LRAF and GoAd Teams     |
| 2. Assistance in development of IEC and advocacy program in support of zone management   |          |      |    |    |    |  |
| 3. Training on revenue generation, financial mobilization and incentive systems for priority activities                              |          |      |    |    |    |  |
| 4. Strengthening of FARMCs   |          |      |    |    |    |  |
| 5. LGU-based M and E system for CRM performance  |          |      |    |    |    |  |
| <b>Fisheries Resources Management (LGU and inter-LGU levels)</b>   |          |      |    |    |    |  |
| <b>Some Implementation Support Options</b>   |          |      |    |    |    |  |
| 1. Assessment of the organizational structure and strengthening of inter-LGU alliances   |          |      |    |    |    | RSs, LSPs, Aps with support from LRAF, GoAd and PS Teams |
| 2. Training on boarding and apprehension, environmental laws and paralegal training  |          |      |    |    |    |  |
| 3. Develop IEC and advocacy programs linked to policy and sustainable financing  |          |      |    |    |    |  |
| 4. Design monitoring of the FLET performance and landed catch  |          |      |    |    |    |  |
| 5. Training on data gathering for FISH BE analysis   |          |      |    |    |    | PMA, GBC, STTA, RSs,                                     |
| 6. Establishment of registry, permits and licensing and cross compliancesystem   |          |      |    |    |    | RSs, LSPs, APs, STTA                                     |
| 7. Develop rights-based fisheries instruments  |          |      |    |    |    | AJM/PMA, PS Team, RSs                                    |
| <b>Establishment of New MPA</b>  |          |      |    |    |    |  |
| 1. Exposure trip   |          |      |    |    |    | RSs, LSPs, APs   |
| 2. MPA orientation and site surveys  |          |      |    |    |    |  |
| 3. MPA formulation work (writeshop on MPA plan and design, community feedback on proposed plan, plan refinement, ordinance drafting) |          |      |    |    |    | AJM/PMA, PS Team, RSs                                    |
| 4. Follow-up meetings with TWG and committes   |          |      |    |    |    | RSs, APs   |
| <b>Strengthening Existing Marine Sanctuaries and Networking</b>  |          |      |    |    |    |  |
| <b>Some Implementation Support Options</b>   |          |      |    |    |    |  |
| 1. Review and assessment of management body and plan   |          |      |    |    |    | RSs, APs   |
| 2. Design and implementation of IEC and advocacy in support for sanctuary management and networking                                  |          |      |    |    |    | RSs, LSPs, APs<br>PMA, GoAd Team                         |
| 3. Enforcement training and compliance M and E   |          |      |    |    |    | LSPs, RSs, Aps   |
| 4. Subzone regulation implementation   |          |      |    |    |    | LSPs, RSs, APs   |
| 5. Training on biophysical benchmarking and monitoring linked to governance  |          |      |    |    |    | PMA, RSs, Aps  |
| 6. Alliance building and marine sanctuary network formation and sustainable financing  |          |      |    |    |    | PMA, GoAd and LRAF Teams, LSPs                           |

| Activities   | Schedule |      |    |    |    | Responsible Persons              |
|--|----------|------|----|----|----|----------------------------------|
|  | 2004     | 2005 |    |    |    |                                  |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |                                  |
| <b>Preparation of TA Modules and LSP training</b>                                    |          |      |    |    |    |                                  |
| 1. Refinement of fisheries law enforcement and marine sanctuary networks modules     |          |      |    |    |    | AJM, PMA, RSs, STTA, LSP         |
| 2. Development of modules for sustainable financing, advocacy and IEC                |          |      |    |    |    | LRAF and GoAd Teams, AJM/PMA     |
| 3. Training of LSPs, DENR and DA-BFAR  |          |      |    |    |    | AJM/PMA, RSs                     |
| 4. Joint meetings with DENR-CMMO, DA-BFAR , DILG, other related projects             |          |      |    |    |    | AJM/PMA, RSs                     |
|  |          |      |    |    |    |                                  |
| <b>Policy Initiatives</b>  |          |      |    |    |    |                                  |
| 1. Policy studies (networking of MS, rights-based fisheries                          |          |      |    |    |    |                                  |
| 2. Consultations and finalization of proposed amendments to Fisheries Code           |          |      |    |    |    |                                  |
| 3. Review and discussions on ARMM Fisheries Code (for possible revision)             |          |      |    |    |    |                                  |
| <b>Conduct of studies/refinement of tools</b>  |          |      |    |    |    |                                  |
| 1. Refinements of Fisheries Bioeconomic Model and production of information material |          |      |    |    |    | STTAs, PMA/AJM, GBC              |
| 2. Assessment of Blue Flag system and of proposed sites with UEM                     |          |      |    |    |    | STTAs, AJM/PMA                   |
| 3. Study on Women in Coastal Governance  |          |      |    |    |    | LSP, AJM/PMA                     |
| 4. Economic Analysis of Coastal Zones  |          |      |    |    |    | Resource Economist, AJM/PMA, GBC |
|  |          |      |    |    |    |                                  |
| <b>Other Activities</b>  |          |      |    |    |    |                                  |
| 1. Documentation of success stories/good practices                                   |          |      |    |    |    | RSs, Aps, RCs                    |

## 2.4 Strengthening Urban Environmental Management

### Year 1 Objectives

- To complete and legitimize ISWM plans in remaining 26 LGUs assisted in EcoGov 1;
- To initiate actual implementation in at least 18 LGUs with completed and legitimized ISWM plans; and
- To identify LGUs with need and capability to implement wastewater management and initiate immediate actions

### Activities and Targets in Year 1

- Secure confirmation from 46 EcoGov 1-assisted ISWM LGUs of their continued interest to participate in EcoGov 2 and availability of local funding for planning and implementation activities. For WWM, discussions with candidate LGUs should lead to the signing of MOAs among the LGU, EcoGov 2, and DENR. Subsequently, action planning will be done with LGU partners to clearly establish implementation priorities, scope of assistance and working arrangements.
- Provide technical assistance for the implementation of the legitimized ISWM plans of at least 18 LGUs and the completion of 10-year ISWM plans of the remaining 28 EcoGov 1 LGUs. The main focus of the implementation technical assistance will be the diversion of biodegradable and recyclable wastes away from the disposal via composting and recycling, management of toxic and hazardous waste, development and management of waste disposal sites. For the



28 LGUs who are completing their respective plans, technical assistance will be provided for the implementation of readily doable activities and actions. As much as possible, training will be done for clusters of LGUs.

- To support the above thrusts, conduct intensive IEC and social marketing activities to generate support from the LGU's constituents for the SWM project and to effect changes in the attitudes and behavior of the public towards improved solid waste management. A research-based campaign plan will be developed and implemented in five LGUs. Assistance in the formulation of ordinances and enforcement arrangements will also be provided. The informal sector (i.e., the junkshops and itinerant scrap buyers), will also be studied to identify appropriate measure for their strenghtening to become more effective and efficient in the recovery, processing and trading of recyclables. The establishment of composting facilities, at least for the biodegradable waste from public markets, will be targetted in at least 18 LGUs. These efforts of the LGUs will be documented to indicate waste diversion performance in these LGUs. End-of-pipe assessments will be conducted only in selected sites.

All of the 18 ISWM LGUs will be covered by the assessment of LGU financing capabilities. They will be trained on the pre-feasibility assessment of projects and several will be assisted in developing their financing strategies.

- Conduct a rapid assessment of WWM candidate sites and prioritize the LGUs for technical assistance. Two of the initial sites will serve as the Blue Flag sites. The selected sites will be provided technical assistance in formulating WWM plans. However, while the plan is being formulated, they will be encouraged to implement readily doable actions like improved septage management and development of incentive systems to attract private sector participation and investment in WWM. Three of the assisted LGUs should be able to advance to the implementation stage. These LGUs will be assisted in developing their investment and engineering plans, feasibility assessments and in accessing financing.
- Develop training modules for ISWM which will cover the above concerns (waste diversion measures), and on SWM site evaluation (for SWM facilities) and toxic and hazardous waste management ( for sparse but highly dangerous wastes). For WWM, the training modules will be on analysis of options with respect to siting, establishment and management of wastewater facilities, and on the preparation of wastewater management plans. The training modules on financing, social marketing/IEC and advocacy, and ordinance formulation and enforcement will be developed jointly with the concerned cross-cutting sector. The necessary training and information materials will be prepared in collaboration with the GoAd team of EcoGov 2.
- Identify, trained and accredited LSPs who can provide the technical assistance to LGUs. Preference will be for institutional LSPs. The Team may have to provide direct technical assistance particularly for WWM until such time that trained LSPs will be on board. The training of LSPs may include provincial governments willing to service the municipal LGUs within their jurisdiction.

- Review and strengthen LGUs' waste management organization to enhance their capability to implement national laws. This is in line with plans to network the LGU ENROs in EcoGov regions (initially). The capability building will include the development of LGU-based M&E system for SWM.
- Finalize recommendations for the evaluation and approval of waste disposal sites and for the clustering of LGUs for purposes of sharing common waste management facilities. The rationalization of the targets and deadlines under RA 9003 and its IRR as well as the clarification of key provisions of the Clean Water Act and its IRR (and the production of information material on Clear Water Act, if such will not be produced by DENR) will be given priority. The need to strengthen regulations on special waste will be addressed. Specifically for ARMM, assistance will be provided for the drafting of a Solid Waste Management Act. Discussions on the scope of assistance and the identification of LSPs who can assist in the formulation of the Act will be identified during the year.

| Activities  | Schedule |      |    |    |    | Responsible Persons   |
|---|----------|------|----|----|----|---|
|   | 2004     | 2005 |    |    |    |   |
|   | Q4       | Q1   | Q2 | Q3 | Q4 |   |
| Preparatory Activities  |          |      |    |    |    |   |
| 1. Preparation of UEM workplan; orientation of regional teams   |          |      |    |    |    | VLuis (VL), UEM STTA Team, Reg'l Specialists (RS)                     |
| 2. Confirmation of LGU interest and commitment (ISWM LGUs)  |          |      |    |    |    | Reg'l Coordinators (RCs), RSs   |
| 3. Orientation of LGUs on EcoGov Phase 2, ISWM implementation process, institutional arrangements; action planning      |          |      |    |    |    | Reg'l Coordinators (RCs), RSs   |
| 4. Discussions with potential WWM LGUs, signing of MOAs for WWM   |          |      |    |    |    | VL, RSs, RCs  |
| 5. Hiring of Assisting Professionals (APs)  |          |      |    |    |    | VL, RCs, RSs  |
| Preparation of TA Modules and LSP Deployment  |          |      |    |    |    |   |
| 1. Rapid assessment of WWM problems, socio-physico features of selected LGUs including proposed Blue Flag sites         |          |      |    |    |    | VL, UEM STTA, RSs; CRM and LRAF Teams (for Blue Flag site assessment) |
| 2. Preparation of ISWM and WWM TA modules and training materials  |          |      |    |    |    | VL, UEM STTA Team, RSs  |
| 3. Preparation/production of information materials (THW management, WWM, composting technologies, Clean Water Act, etc) |          |      |    |    |    | VL, UEM STTA Team, RSs, GoAdTeam                                      |
| 4. Recruitment of LSPs, training and accreditation  |          |      |    |    |    | VL, UEM STTA Team, RSs, RCs   |
| 5. Development of simplified method for end-of-pipe assessment for benchmarking and measurement of waste diversion      |          |      |    |    |    | VL, UEM STTA Team, RSs  |
| Technical Assistance on ISWM Plan Implementation  |          |      |    |    |    |   |
| 1. Completion and legitimization of 26 ISWM plans   |          |      |    |    |    | VL, RSs, LSPs, APs  |
| 2. Assistance to LGUs in ISWM plan Implementation (at least 18 LGUs)  |          |      |    |    |    |   |

| Activities  | Schedule |      |    |    |    | Responsible Persons                     |
|---|----------|------|----|----|----|---|
|   | 2004     | 2005 |    |    |    |   |
|   | Q4       | Q1   | Q2 | Q3 | Q4 |   |
| a. Training and assistance in establishment of composting facilities  |          |      |    |    |    | RSs, APs, LSPs with DENR staff; PS Team |
| b. Training and assistance in ordinance formulation and development of enforcement system   |          |      |    |    |    |   |
| c. Training and coaching on organization and strengthening of informal waste recovery sector  |          |      |    |    |    |   |
| d. Analysis, training and assistance on THW management  |          |      |    |    |    |   |
| e. Training and assistance in evaluation of disposal sites and review of engineering plans  |          |      |    |    |    | RSs, UEM STTA with DENR MGB and EMB     |
| f. Training on management of controlled dumpsites and sanitary landfills  |          |      |    |    |    | RSs, UEM STTA                           |
| g. Assistance in the conduct of SWM end-of-pipe assessments (selected LGUs)   |          |      |    |    |    | RSs, UEM STTA                           |
| Technical Assistance on Wastewater Management   |          |      |    |    |    |   |
| 1. Detailed analysis of point and non-point sources of waste water and impact areas   |          |      |    |    |    | UEM STTA, RSs, LSPs, APs                |
| 2. Training on waste water management methods and technologies (septage management)   |          |      |    |    |    |   |
| 3. Assistance in formulation of WWM plans   |          |      |    |    |    |   |
| 4. Assistance in WWM ordinance formulation  |          |      |    |    |    |   |
| 5. Review of engineering designs of wastewater facilities(point-source management, common WW treatment ponds, etc.)   |          |      |    |    |    |   |
| 6. Assistance to at least 3 LGUs in review of investment requirements and accessing of financing (up to closure of financing arrangements)                      |          |      |    |    |    | LRAF Team, RSs, LSPs                    |
| Capability building for LGUs, DENR and other partners   |          |      |    |    |    |   |
| 1. Training and coaching to strengthen ISWM/WWM organization, including development of M and E system for ISWM and WWM performance                              |          |      |    |    |    | RSs, GoAd Team, LSPs, APs               |
| 2. Review of LGU financial management capacities and investments needs; orientation on options for financing; assistance in development of financing strategies |          |      |    |    |    | LRAF Team, RSs, LSPs, APs               |
| 3. Conduct of social marketing research in 5 LGUs, and development and implementation of social marketing plans   |          |      |    |    |    | GoAd Team/TMN, LSPs, APs                |

| Activities   | Schedule |      |    |    |    | Responsible Persons           |
|--|----------|------|----|----|----|-------------------------------|
|  | 2004     | 2005 |    |    |    |                               |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |                               |
| 4. Review of LGU level IEC plans and coaching on communications planning/IEC (in other LGUs)                             |          |      |    |    |    | GoAdTeam, RSs, LSPs, APs      |
| 5. Training of DENR, provincial governments and other partners on ISWM preparation process and implementation TA modules |          |      |    |    |    | VL, UEM STTA, RSs,            |
| Policy initiatives   |          |      |    |    |    |                               |
| 1. Finalization of LGU clustering guidelines and incentives  |          |      |    |    |    | VL, PS Team                   |
| 2. Review RA 9003 deadlines, rationalization of requirements of RA 9003 and its IRR                                      |          |      |    |    |    | VL, UEM STTA Team, PS Team    |
| 3. Clarification of Clean Water Act provisions; preparation of information material                                      |          |      |    |    |    | UEM STTA, PS Team, GoAd Team  |
| 4. Inputs to strengthen regulations on special waste   |          |      |    |    |    | UEM STTA, PS Team             |
| Other Activities   |          |      |    |    |    |                               |
| 1. Documentation of success stories/good practices   |          |      |    |    |    | RSs, LSPs, APs, RCs, GoAdTeam |

## 2.5 Improving LGU Revenues and Access to Financing

### Year 1 Objectives

- Conduct an assessment of financial standing and capacities of LGUs with completed plans and prioritize LGUs and projects for assistance;
- Train LGUs on pre-feasibility assessment of projects and financing options, and provide assistance to priority LGUs in the development of financing strategies (for approval of SB/SP); and
- Provide assistance to at least 3 LGUs in the financing of their projects, with priority to the establishment of WWM facilities

### Activities and Targets in Year 1

- Research on constraints and opportunities to attract financing in each sector. This entails the conduct of background analysis and review of literature covering the following areas, among others: (a) related laws and regulations;(b) international best practices; (c) sector studies; (d) case studies of actual transactions done locally; and (e) potential sources of loan or grants funds from public and private sector financial entities, and international donor organizations. This study will serve as inputs to the planned policy study on private sector investments. The last item will be developed as information material on available financing facilities and grants.

- Evaluate at least 30 LGUs giving priority to those with completed and legitimized plans. The assessment will look at investment needs, development plans, borrowing and financial management capacities, and level of commitment of each LGU to implement projects. A profile and a set of recommendations will be prepared and discussed with each LGU.
- Evaluate proposed projects and initiate project development activities. From the review of the various plans, a listing and profile of proposed projects in the pipeline will be developed. The Team will begin working with capable LGUs that have viable projects. Projects in the UEM sector (sanitation and composting facilities) will be prioritized to meet SOW targets. The team will train and assist the LGUs evaluate their financing options (including increasing revenue generation) and prepare financial models for proposed projects. The resulting financing strategy will be presented to the SB/SP for approval.

The following targets have been set by the Team:

- UEM Sector: 3 UEM projects must reach financial closing or implementation stage
- CRM Sector: 1 IBRA 9 (Illana Bay in Western Mindanao) project should have viable financing scheme ready for implementation
- FFM Sector: 1 FFM project (either in Visayas or Mindanao) should have viable financing scheme ready for implementation

For projects that reach the financing negotiation stage, advice will be provided to LGUs in dealing with interested private sector groups and in finalizing contractual arrangements.

- Prepare training modules, including the tools/models and information materials for LGU planners and LSPs. The training modules will cover a range of topics: (a) LGU financial capacity; (b) budgetary impact of projects arising from legitimized plans using spreadsheet models; (c) financial viability of specific projects based on analytical spreadsheet models customized according to the sector or project type, (d) procurement process with emphasis on public tendering; and (e) contractual arrangements required by financing institutions or investors.

As part of this activity, two basic tools will be developed:

- A budget impact assessment tool (spreadsheet) to help LGUs assess the impact of a proposed project on the LGU's recurrent and investment budgets. The model will be used to support the ratification of local ordinances or in determining the extent to which an LGU may want to finance a project from its own financial resources.
- Standardized and user-friendly project financial evaluation models for each sector or project to determine the financial viability/affordability of a technology/technical approach offered to an LGU. These models will be utilized in the initial appraisal and approval of proposed projects. The

development of this model will require documentation of existing prototype facilities and project to establish more realistic costs.

A basic toolkit containing the above materials will be prepared to support the Team's technical assistance in project development and to institutionalize best practices.

- Identify and train LSPs to provide some of the services to LGUs. Preference is for institutional LSPs and small consulting firms. LSPs will be trained on the use of the above tools so they can focus on providing the more standard services while the Team concentrates on the more innovative financing arrangements. Initially, however, the Team will have to provide direct technical assistance to the initial batch of selected LGUs.
- Initiate work on the development of users' fees and incentives as part of sustainable financing.
- Collaborate with other projects of the United States Agency for International Development (USAID) and programs of donor organizations. Among related USAID projects are:
  - FORWARD, which is seeking to attract private sector capital to the water sector by developing new lending facilities that combine private sector and donor funds.
  - LINAW, which is promoting the use by LGUs of small-scale, affordable wastewater treatment facilities to address the high incidence of water-borne diseases.
  - EMERGE, which may be involved in policy reform initiatives related to the development of the domestic capital markets or the issuance of LGU bonds.

| Activities   | Schedule |      |    |    |    | Responsible Persons                              |
|--|----------|------|----|----|----|--|
|  | 2004     | 2005 |    |    |    |  |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |  |
| Preparatory Activities   |          |      |    |    |    |  |
| 1. Preparation of LRAF workplan  |          |      |    |    |    | HO Florento (HOF), STTA Team                     |
| Research/Studies/Collaborative Work  |          |      |    |    |    |  |
| 1. Conduct of constraints and opportunities study to attract financing in FFM, CRM and UEM                         |          |      |    |    |    | HOF, STTA Team, Emerging Markets Group (EMG)     |
| 2. Cost documentation of existing UEM facilities and FFM and CRM projects to develop prototypes and cost standards |          |      |    |    |    | HOF, STTA Team, FFM/CRM/UEM Teams                |
| 3. Initial exploratory discussions/studies on users' fees  |          |      |    |    |    | HOF, Resource Economists, GBC, FFM/CRM/UEM Teams |
| 4. Collaboration with other USAID/donor projects on new financing schemes and policy initiatives                   |          |      |    |    |    | HOF  |

| Activities   | Schedule |      |    |    |    | Responsible Persons      |
|--|----------|------|----|----|----|--------------------------|
|  | 2004     | 2005 |    |    |    |                          |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |                          |
| Preparation of TA Modules and LSP Deployment   |          |      |    |    |    |                          |
| 1. Development of budget impact assessment tool (spreadsheet ) and project financial evaluation models                                     |          |      |    |    |    | HOF, STTA Team, EMG      |
| 2. Preparation of technical assistance modules   |          |      |    |    |    |                          |
| 3. Preparation of basic toolkit for LGU planners and LSPs, including refinements   |          |      |    |    |    |                          |
| 4. Recruitment of LSPs, training   |          |      |    |    |    | HOF, STTA Team           |
| Technical Assistance on LGU Revenues and Access to Financing   |          |      |    |    |    |                          |
| 1. Evaluation of financial conditions and capacities of at least 30 LGUs; discussion of recommendations; prioritization of LGUs            |          |      |    |    |    | HOF, STTATeam, LSPs      |
| 2. Assistance in project development of development projects (at least 1 for FFM, 1 for CRM alliance, 3 for sanitation, 18 for composting) |          |      |    |    |    | HOF, STTATeam, LSPs, RSs |
| 3. Advice in contracting, procurement, negotiation with private investor/donor   |          |      |    |    |    | HOF, STTA, LSPs          |
| Support to Policy Initiatives  |          |      |    |    |    |                          |
| 1. Investment incentives, private sector participation   |          |      |    |    |    |                          |

## 2.6 Governance Advocacy and Capacity Building

### Year 1 Objectives

- To provide technical assistance and training to at least 30 assisted LGUs (or LGU clusters) and their partners in implementing IEC and public advocacy campaigns that support developed environmental plans;
- To provide technical assistance and training support to LGU-based environmental bodies and frontline units of DENR and DA-BFAR in order to craft their service oriented plans and protocols;
- To support LGU Leagues (Municipalities, Cities and Provinces) as well as sub-national and national CSO networks in improving support services programs to LGUs; and
- To collaborate with respective LGUs, national partners and media-develop specific IEC products that support IEC campaigns for local environmental governance.

## Activities and Targets for Year 1

- Provide training to at least 30 self-selecting LGUs or LGU clusters on IEC with focus on implementing low cost and immediately doable improvements in their IEC campaigns. Of these 30, there will be 5 LGUs working on solid waste management issues that will be assisted in developing research-based, campaign plans and IEC products that target specific behavioral change utilizing the principles and strategies of social marketing.
- In consultation with national or subnational civil society organization (CSO) networks, conduct participatory assessments of recurrent experience in public advocacy for local environmental programs. On this basis, three island-wide training and sharing events to strengthen advocacy programs of CSOs who are current partners of LGUs will be conducted. The events, which are expected to cover at least 15 LGUs, will aim to cover strategies and tools for them to become more effective partners in championing that cause of environmental governance.
- Working with at least 15 LGUs, demonstrate and share approaches for helping LGU environmental bodies improve their service delivery programs. The target bodies would include local Solid Waste Management Boards, FARMC's and MENROs. The main intervention would be participatory assessments, developing service vision, plans and protocols that ensure relevance and sustainability
- In collaboration with concerned units of DENR and DA-BFAR as well as related donor initiatives, demonstrate approaches for developing and improving LGU-oriented service programs in selected CENROs and BFAR local unit. Conduct an initial session with concerned DENR leaders and staff to share good practices in DENR-LGU partnerships including those from Ecogov assisted areas.
- With each of three LGU leagues, conduct participatory assessments to review their progress in providing support to constituent LGUs on environmental management. TA will be provided to the League of Municipalities of the Philippines (LMP) to determine the feasibility of a LMP-proposed training arm called Mayor's Academy. Additionally, support each league to implement innovative approaches (including IEC products) for optimal sharing of good environmental management practices in their national or subnational conferences.
- Provide similar support to each of three national theme oriented multisectoral networks, i.e., SWAPP for solid waste management; Philippine Watershed Management Coalition for watershed /forest management and an appropriate coalition for coastal resources management. Concurrently support coalition building activities of at least 7 regional or subnational CSO networks that support LGU-community partnerships. Examples are CBFM PO federations; networks of marine sanctuary resource managers, and relevant LGU - oriented professional associations (e.g., MENROs or of environmental officers).
- Conduct national and local round table discussions RTDs among media groups (e.g., PIA, Bantay Kalikasan, KBP, MindaComNet, etc.) and science-based



groups to enhance the scientific basis of media campaigns that address local governance issues and opportunities.

- Document success stories of LGU based partnerships assisted by the Project; develop information packets on issues which will be shared with other LGUs through league events, and the general public through media releases and radio/TV programs.

| Activity   | Schedule |      |    |    |    | Responsible Persons                          |
|--|----------|------|----|----|----|--|
|  | 2004     | 2005 |    |    |    |  |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |  |
| A. Transitional /Preparatory Activities  |          |      |    |    |    |  |
| 1. Prepare GoAd work plans in consultation with partners   |          |      |    |    |    | Ed Queblatin (EQ), GoAd Team                 |
| 2. Review key ongoing/previous efforts   |          |      |    |    |    | EQ, CB Team, Governance Index Team, IEC Team |
| 3. Organize Team, identify local service providers   |          |      |    |    |    | EQ, GoAd Team                                |
| B. Support to LGU level actions  |          |      |    |    |    |  |
| IEC and advocacy campaigns   |          |      |    |    |    |  |
| 1. Train active IEC teams on immediate improvements of IEC campaign plans  |          |      |    |    |    | IEC Team, TMN                                |
| 2. Development of social marketing approach  |          |      |    |    |    | EQ , TMN, IEC Team                           |
| 3. Conduct social marketing research and development of marketing plans  |          |      |    |    |    | EQ , TMN                                     |
| 4. Conduct social marketing activities in 5 pilot sites ( including development of specific IEC products )         |          |      |    |    |    | EQ, TMN, IEC Team                            |
| 5. Conduct training events to improve CSO advocacy programs  |          |      |    |    |    | EQ, CB Team                                  |
| 6. Develop and test TA modules for improving service delivery programs of environmental bodies/units in pilot LGUs |          |      |    |    |    | EQ CB Team                                   |
| 7. Back up training for all LGU environmental bodies to improve service delivery programs                          |          |      |    |    |    | EQ CB Team                                   |
| C. Support to National Government Partners Level   |          |      |    |    |    |  |
| 1. Develop and pretest TA modules for improving service orientation in 5 pilot frontline units                     |          |      |    |    |    | EQ, VORamos (VOR), BSMalayang (BSM)          |
| 2. Share experience within the agencies concerned  |          |      |    |    |    | EQ, VOR                                      |
| D. Support to Leagues and Networks   |          |      |    |    |    |  |
| 1. Develop LMP strategy for "Mayors Academy "as requested by LMP   |          |      |    |    |    | EQ, BSM, CB Team                             |
| 2. Support to other Leagues  |          |      |    |    |    | EQ, CB Team                                  |
| 3. Support to key theme networks   |          |      |    |    |    |  |
| 4. TA for improved national sharing events   |          |      |    |    |    | EQ, CB Team                                  |
| 5. Development of IEC products for use by leagues /networks  |          |      |    |    |    | IEC Team                                     |

| Activity   | Schedule |      |    |    |    | Responsible Persons |
|--|----------|------|----|----|----|---------------------|
|  | 2004     | 2005 |    |    |    |                     |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |                     |
| 6. Conduct RTDs among media and science groups to promote science based coverage |          |      |    |    |    | EQ, IEC Team        |
| 7. Prepare and disseminate success stories                                       |          |      |    |    |    | IEC Team            |

Legend:

Governance Index Team – C Umali, Z Torribio

CB Team - C Nasol, P de Boma,

IEC Team – F Esguerra, R Jabal, M Hizon

## 2.7 Strengthening Environmental Governance Policies

### Year 1 Objectives

- To strengthen the capacity of local and national bodies to implement better environmental management by enhancing their capacity to formulate and enforce environmental laws, regulations and ordinances using the principles of transparency, accountability and participation; and
- To improve environmental policies that support local actions and improved environmental practices.

### Activities and Targets

- Conduct Policy Forum to provide a venue for presenting the outputs and recommendations of major policy studies of EcoGov 2, as well as in reaching a consensus with partner agencies and institutions on common or complementary strategies and actions aimed at addressing specific policy issues. For 2005, the following topics will be focused on:
  - For the forest sector: support for co-management sites, reinvesting users' fees, synthesis of foreshore management strategy,
  - For the CRM sector: networking of marine sanctuaries, addressing coastal pollution from mariculture, and rights-based fisheries policy study
  - For the UEM sector: strengthening regulations on special wastes.
- Provide support and technical inputs to the Annual Environmental Defense Conference of NGOs engaged in providing legal and technical support to communities, as a venue for sharing experiences and strategies in their effort to promote environmental justice
- Provide support to Partnership for Principle (PP) 10 initiatives (subject to negotiations with WRI and USAID Approval) to encourage the Philippines to join and actively participate in the PP10 as a way of promoting TAP in decision-making on environment and natural resources issues
- Provide support to the drafting of the IRRs for ARMM Sustainable Forest Management Act

- Provide support to the drafting of the Action Plan and IRRs for EO 318 and in the review of the NIPAS Act and its IRR and related forestry regulations
- Provide the legal and policy basis for rationalizing the targets and deadlines for a shift to sanitary landfills under RA 9003, by developing guidelines to facilitate site evaluation and approval (in support of the NSWMC);
- Develop policies providing guidelines and incentives for LGU and private sector investments in sanitation and wastewater treatment (focusing on domestic sources of water pollution and septage management);
- Provide policy support for “Blue Flag” certification of selected coastal eco-tourism sites; and
- Identify remedies and procedures for resolving conflicts, including the adoption of a DAO on alternative disputes resolution
- Provide legal and paralegal training support to DENR, LGUs and paralegal law enforcers

| Activities   | Schedule |      |    |    |    | Responsible Persons                                       |
|--|----------|------|----|----|----|---|
|  | 2004     | 2005 |    |    |    |   |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |   |
| A. Cross-cutting Policy Initiatives                              |          |      |    |    |    |   |
| 1. Workplan Preparation  |          |      |    |    |    | J Kho (JK),<br>ZToribio (ZT),<br>BSM, WPollisco (WP), VOR |
| 2. Annual EcoGov Policy Forum                                    |          |      |    |    |    | JK, ZT, WP, VOR,<br>BSM<br>LSPs, STTA                     |
| ▪ Preparatory Activities   |          |      |    |    |    |   |
| ▪ Forum Proper; policy memo                                      |          |      |    |    |    |   |
| 3. Annual EnDefense Conference Support                           |          |      |    |    |    |   |
| ▪ Negotiations with partners/design of conference                |          |      |    |    |    | JK, WP , STTA   |
| ▪ Conference proper  |          |      |    |    |    | JK, ZT, WP, VOR, STTA                                     |
| ▪ Policy memos, initial implementation                           |          |      |    |    |    | JK, ZT, WP, STTA  |
| 4. Partnership for Principle 10                                  |          |      |    |    |    |   |
| ▪ Negotiations with WRI; draft workplan                          |          |      |    |    |    | ESG, DRothberg, JK, BSM                                   |
| ▪ Initial activities (TBD)                                       |          |      |    |    |    | STTA TBD  |
| 5. ADR   |          |      |    |    |    |   |
| ▪ Finalization of DAO  |          |      |    |    |    | JK  |
| ▪ ADR regional workshops (4)                                     |          |      |    |    |    | JK, ZT, VOR, BSM, STTA,                                   |
| 6. Support for DENR Re-engineering                               |          |      |    |    |    |   |
| ▪ Preliminary analysis of DENR budget vis-à-vis responsibilities |          |      |    |    |    | WP, LFAF  |
| ▪ FGD on DENR re-engineering.                                    |          |      |    |    |    | JK, WP, VOR, BSM, LSP                                     |
| ▪ Related policy/ institutional reviews; policy memo             |          |      |    |    |    | JK, WP, STTA  |
| 7. National and ARMM-NRM coordination study                      |          |      |    |    |    |   |
| ▪ Synthesis of studies/ legal instruments; policy memo           |          |      |    |    |    | WP  |

| Activities  | Schedule |      |    |    |    | Responsible Persons                   |
|---|----------|------|----|----|----|---------------------------------------|
|   | 2004     | 2005 |    |    |    |                                       |
|   | Q4       | Q1   | Q2 | Q3 | Q4 |                                       |
| 8. Other policy reviews (as needed)   |          |      |    |    |    | LSP                                   |
| 9. Paralegal training support <ul style="list-style-type: none"><li>▪ Design of training, initial conduct</li></ul>   |          |      |    |    |    | STTA (incl RVO)                       |
| 10. Support for Congressional agenda (participation in discussions)   |          |      |    |    |    | STTA                                  |
| <b>B. FFM</b>   |          |      |    |    |    |                                       |
| 1. ARMM support <ul style="list-style-type: none"><li>▪ Drafting of IRR for MMAA 161, public consultations, submission to DENR-ARMM</li></ul>   |          |      |    |    |    | LSP, JK, NU, JB, STTA (RVO, BSM, VOR) |
| <ul style="list-style-type: none"><li>▪ Discussion on draft PA bill</li></ul>   |          |      |    |    |    | JK                                    |
| 2. NIPAS IRR Review <ul style="list-style-type: none"><li>▪ Comments on draft revised IRR; proposed provisions</li></ul>  |          |      |    |    |    | JK                                    |
| <ul style="list-style-type: none"><li>▪ Support for public consultations (ARMM, Reg. 7 and Manila)</li></ul>  |          |      |    |    |    | JK, ZT, WP, LSP                       |
| 3. EO 318 Action Plan <ul style="list-style-type: none"><li>▪ Participation in drafting/Support for sub-committee outputs presentation</li></ul>  |          |      |    |    |    | JK, ZT, VOR, BSM,                     |
| <ul style="list-style-type: none"><li>▪ Support for national public consultation; submission</li></ul>  |          |      |    |    |    | JK, ZT, VOR, BSM, LA                  |
| 4. Support for co-management sites (in Policy Forum) <ul style="list-style-type: none"><li>▪ Policy support for finance team proposals on investment incentives</li></ul>   |          |      |    |    |    | STTA, LSP                             |
| <ul style="list-style-type: none"><li>▪ Policy memo strengthening sub-agreements/tenure</li></ul>   |          |      |    |    |    | STTA                                  |
| <ul style="list-style-type: none"><li>▪ Draft DAO on sub-agreements/tenure, public consultation</li></ul>   |          |      |    |    |    | LSP, JK, ZT                           |
| 5. Reinvesting user fees policy study (part of Policy Forum) <ul style="list-style-type: none"><li>▪ Review legal/operational issues on sharing power generation fees to LGU hosting watershed; policy memo</li></ul> |          |      |    |    |    | STTA, LSP                             |
| 6. Synthesis of foreshore management strategy (in Policy Forum) <ul style="list-style-type: none"><li>▪ Review of existing studies and regulations; proposed amendments</li></ul>                                     |          |      |    |    |    | LSP, STTA                             |
| 7. Other policy reviews (as needed)   |          |      |    |    |    | LSP                                   |
| <b>C. CRM</b>   |          |      |    |    |    |                                       |
| 1. Philippine Fisheries Code <ul style="list-style-type: none"><li>▪ Finalization of proposed revisions to Phil Fisheries Code, public consultation and submission</li></ul>  |          |      |    |    |    | JK, ZT, LSP                           |
| 2. ARMM Support <ul style="list-style-type: none"><li>▪ Discussion with DA-BFAR ARMM on Regional Fisheries Code</li></ul>   |          |      |    |    |    | STTA, JK                              |
| 3. Networking of marine sanctuaries policy study (in Policy Forum)  |          |      |    |    |    |                                       |

| Activities   | Schedule |      |    |    |    | Responsible Persons |
|--|----------|------|----|----|----|---------------------|
|  | 2004     | 2005 |    |    |    |                     |
|  | Q4       | Q1   | Q2 | Q3 | Q4 |                     |
| ▪ Synthesis review; policy memo; proposed amendments to Fisheries Code                                       |          |      |    |    |    | LSP, STTA           |
| 4. Coastal pollution from mariculture policy study (in Policy Forum)   |          |      |    |    |    |                     |
| ▪ Conduct study (includes internalization of environmental costs)/policy memo/ draft ordinance               |          |      |    |    |    | STTA, LSP, JK       |
| 5. Rights-based fisheries policy study (in Policy Forum)   |          |      |    |    |    |                     |
| ▪ Conduct study/ Policy memo/includes proposed amendments to Fisheries Code and Local Government Code        |          |      |    |    |    | STTA, LSP, James    |
| 6. Other policy reviews (as needed)  |          |      |    |    |    | LSP                 |
| D. UEM   |          |      |    |    |    |                     |
| 1. ARMM support  |          |      |    |    |    |                     |
| ▪ Discussion on drafting SWM bill  |          |      |    |    |    | STTA, WP            |
| 2. Strengthening regulations on special wastes study (in Policy Forum)                                       |          |      |    |    |    |                     |
| ▪ Synthesis review/ Proposed DAO/ amendments to RA 9003  |          |      |    |    |    | LSP, STTA           |
| 3. Rationalizing SWM targets workshop support  |          |      |    |    |    |                     |
| ▪ Workshop design; conduct of workshop; policy memo  |          |      |    |    |    | JK, ZT, WP          |
| 4. Investments in sanitation and WWM policy support  |          |      |    |    |    |                     |
| ▪ policy memo/ draft legal instruments in support of finance team policy proposals                           |          |      |    |    |    | JK, STTA            |
| 5. Remedies for conflicts policy study   |          |      |    |    |    |                     |
| ▪ Synthesis review<br>▪ Policy memo/ draft DAO<br>▪ Review/Approval  |          |      |    |    |    | STTA, LSP           |
| 6. Support for Blue Flag   |          |      |    |    |    |                     |
| ▪ Synthesis of related policies, experience of certification in other sectors Policy memo/ draft instruments |          |      |    |    |    | STTA                |
| 7. Other policy reviews (as needed)  |          |      |    |    |    | LSP                 |